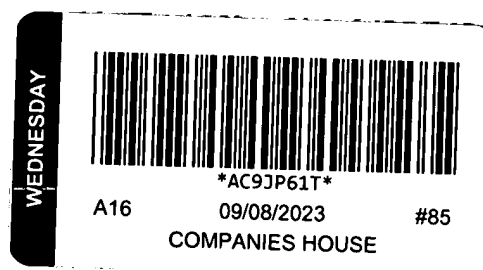


**Design Business Association**  
Charlotte Building, 17 Gresse Street, London W1T 1QL  
Tel +44 (0)20 7251 9229 enquiries@dba.org.uk  
www.dba.org.uk

# DBA 2022 Financial Statements

Company Registration no. 02471955  
(England and Wales)

**dba**



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# Report of the Directors for the year ended 31 December 2022

The Directors present their report and financial statements of The Design Business Association ("DBA") for the year ended 31 December 2022.

## Principal activity

The principal activities of the DBA throughout the year were those of promoting the effective use of design in business, encouraging high standards of business and professional practice, and providing a range of services to members.

## Review of the business

The results for the year and financial position of the company are shown in the annexed financial statements. The Chief Executive's statement that follows forms part of the financial statements.

## Directors

The Directors during the year under review were:

Deborah Dawton (also Chief Executive); Victoria Mary Atherley; Francesca Bayliss ; Erika Constance Jane Hazelgrove (stepped down 28.04.2022); Pernilla Johansson; Lesley Gulliver (stepped down 28.04.2022); Jeremy George Lindley – Interim Chair (appointed 28.04.2022); William James Rowe (appointed 28.04.2022); Warren Hutchinson; Tim Duncan (appointed 28.04.2022); Andrew James Sexton; Stephanie Verschoor; John Gleason (appointed 28.04.2022); Nicola Tiffany (appointed 28.04.2022); Caroline Santos (appointed 29.11.2022).

## Share capital

The company is limited by guarantee and has no share capital.

## Registered office

Charlotte Building  
17 Gresse Street  
London  
W1T 1QL

## Registered number

02471955 (England and Wales)

## Auditors

Moore Kingston Smith LLP  
Chartered Accountants  
Charlotte Building  
17 Gresse Street  
London  
W1T 1QL

# Directors Responsibilities Statement

## For the year ended 31 December 2022

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

### Auditors

In accordance with the company's articles, a resolution proposing that Moore Kingston Smith LLP be reappointed as auditors of the company will be put at a General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to the Small Companies exemption.

On behalf of the Board:



D. Dawton – Director  
10 March 2023

# Chief Executive's Statement

## Introduction

Best described as a busy and unpredictable year, the mood at the start of 2022 was upbeat.

Coming out of the pandemic, client budgets had opened up and design studios were busy. Having navigated the turbulence of recent years and despite talk of a downturn, on the whole, the design consultancies and corporate teams that make up the DBA's membership were optimistic about the future, with the DBA Annual Survey Report finding general business sentiment was at its highest since 2015.

DBA members have done – and continue to do – an incredible job steering their businesses through the twists and turns of recent years and were well placed to navigate the many extraordinary events that unfolded in 2022, as was the Design Business Association (DBA).

The confidence and buoyancy of the design sector at the beginning of the year was reflected in strong sales of the DBA's training courses, and a flurry of new members joined the Association to gain access to the community connection and wide range of benefits membership provides. While shockwaves were felt across the economy in the autumn, through championing and supporting the design sector, the DBA continued to attract new members and engage with existing members and it was fantastic to see so many in person at our events.

Reflecting the success in recent years of the DBA's new ways of working and the cohesion this has helped create across the membership, the Association's team moved to entirely remote work. This impacted on 2022's bottom line by a net cost increase of £17k due to the costs associated with the disposal of the Association's Old Street office, and overall, the DBA's overhead costs were up £32.7k on 2021. However, savings of approximately £100k per year against the office will open up the budget in 2023 and beyond to invest in new staff, technology and initiatives to further enable the DBA, its board and members to spearhead change across the sector to create a better tomorrow for, and through design.

Leading the way and supporting the sector through a year which saw three Prime Ministers, the war in Ukraine, a record-breaking heatwave, soaring inflation and the ever-present threat of a recession, the DBA delivered a packed programme of membership services and activities, closing 2022 with a surplus of £29.9k (compared to £41.5k in 2021). This bolstered the Association's balance sheet reserves from £122k to £152k (the highest since 1997).

## Membership

Championing the value of design, leading positive change for the sector and connecting our membership community, were core to the DBA's membership activities in 2022. Following five consecutive years of no fee increases, the DBA and its board raised membership fees by 8% in 2022 to allow for further investment in membership services. Member engagement was high throughout the year and a retention rate of 92% was achieved, on a par with 2021.

The growing awareness and reputation of the DBA enhanced the team's ability to attract agencies and design teams to our membership. 52 new agency members joined in 2022 (compared to 38 in 2021), while new corporate members included Carlsberg and Arup. The Association closed the year with 379 members (370 in 2021). Overall, £670k in membership subscription income was secured in 2022, up 14.7% on the £584k secured in 2021.

## Membership activities

Just when we thought we were coming through to the other side of one world event, with hope for a more settled year, along came 2022. On top of the many headline grabbing events, we also faced the continuing after-effects of Brexit and the pandemic on our design businesses and teams. The recruitment and retention of staff was a real challenge across the sector, as it was for many companies around the world. Decisions had to be made in the face of inflation, while a focus on the climate emergency came to the fore. Our online Members' Forum

relaunched in a new format at the start of the year. This proved particularly valuable in enabling the DBA team and its community of members and experts to interact each month on front-of-mind issues such as these, as well as to identify and discuss emerging factors that will shape the future of design, and its impact and influence on our nation and planet.

We saw real community and connection in the openness found in the eleven online Forums held throughout the year. Up to 60 members attended each meeting, sharing their experiences and thinking on issues as diverse as recession proofing to how to embed sustainable design practices. Guests who contributed their expertise to the discussions included McKinsey's Garen Kouyoumijian, PUMA's Sigrid Brewka-Steeves and US-based consultants David C. Baker and John Gleason amongst others. Conducted under Chatham House Rule, summaries of the Forum conversations were shared via our fortnightly Roundup e-newsletter, which continues to prove an effective mechanism for distributing industry news and guidance in a digestible format to members.

Bi-monthly Design Leaders' Forums provided opportunity for our corporate members to come together and discuss issues relevant to their roles and to furthering the strategic role and impact of design in business. And in its fledgling year, the DBA's newly launched Diversity, Equity and Inclusion (DE&I) Council made great headway. The Council consists of twenty experienced individuals from across the industry and is chaired by DBA Board Director, Diageo's Jeremy Lindley. Its ongoing work will identify best practice and areas for improvement around DE&I within our sector and inform the DBA team's continuous development of initiatives to support its members and the wider industry to bring about positive change.

Our Register of accredited Experts continues to evolve, offering value to members who require in-depth consultancy on everything from marketing and PR to financial planning and IP. The consultants on the Register are a key part of the DBA community. Meeting bi-monthly online throughout the year to share insights into the issues affecting the industry, the relationships which have been built have led to cross-referrals, benefiting both members and Experts. It was fantastic to be able to bring the Experts together, face-to-face for the final meeting of the year and we were delighted to welcome back Gary Baxter and Peter Carter to the Register in 2022, closing the year with 32 DBA Experts on the Register (compared to 34 in 2021).

Partnering with Humphries Kirk and Croner, we are able to provide valuable access to free legal and HR advice helplines to our members, along with registration to a wide range of HR webinars. Our partnerships with insurers Marsh Commercial and R&D tax relief specialists, ForrestBrown, delivered £5.6k in commission to the DBA. ForrestBrown has helped secure upwards of £4.5million in R&D tax credits for DBA members over recent years, and it's been fantastic to hear about the positive impact this has had on members' businesses and to see those who hadn't considered themselves eligible for R&D tax credits benefiting from this member service. However, Government reforms around Research & Development tax relief impacted on referrals in 2022. Through webinars and other content, we have been working with ForrestBrown to help members keep abreast of the changes and understand how their businesses can apply and benefit from the R&D tax relief.

With an impending recession making headlines, it was important for business leaders to keep perspective by looking at the right indicators. With the data and business intelligence it provides, the DBA's Annual Survey Report, produced in association with Moore Kingston Smith and kindly sponsored by Paprika and VisionFR, was a particularly valuable tool to do this, helping members plan and manage their financial performance. We also partnered with Up to the Light to launch the 8<sup>th</sup> What Clients Think Report at a DBA member-only webinar. Published in association with the DBA and based on 600 client interviews, the Report was the most comprehensive to date, packed full of insights into how agencies can strengthen their client relationships.

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**Programmes (which includes events, training, mentoring and awards)**

2022 offered the first real opportunity since before the pandemic to bring our members, experts, team and board together in person. We've seen regional boundaries demolished in recent years by embracing technology to bring our community together virtually. As the national trade association for design, it was crucial the DBA achieved the right balance in planning our programmes to ensure members, no matter where they are located, are able to access all essential member information, professional development, webinars and leadership meetings online, while also enabling the connection of our community in person.

In 2022 our programmes activities were carefully curated to achieve this – from accessible, informative online training workshops and webinars, to networking events held across the country – we continually drew on members' feedback to help identify and shape the topics and formats of most value to support members in their day-to-day work, and as the sector looks to the future.

In addition to the regular Members' Forums held throughout the year, 29 DBA events and training courses were also delivered – on a par with the 29 programmes held pre-pandemic in 2019. Providing members with expert advice to support their businesses and thought leadership to inspire the sector, the training workshops and events were consistently well attended. Garnering excellent feedback, DBA programmes and services generated a total income of £111k (£115k in 2021).

**Events & Training**

Our webinar programme is a fantastic means to bring our community together virtually to hear from industry experts on topical issues. Accessible and free for members, the online format of these events enables all to attend, no matter their location. Members can also exclusively watch a recording of the event, in their own time via our member-only Webinar Gallery, which has grown to include a collection of over 50 inspiring and informative DBA webinars.

In 2022, we ran eight new webinars featuring a range of leading lights from design, including Jeremy Myerson, Tom Lloyd, Nikita Yan, Eric Quint and more, covering topics from inclusive design to client relationships. These webinars attracted audience numbers of up to 125 each time and articles, guides and other tools and resources were also continually added to the DBA website throughout the year around these subjects and other relevant topics, such as evidencing the impact of design.

The DBA also held a series of networking events in Bristol, London and Manchester. These were our first in-person events since 2020 and were very well received with 120 members attending across the events. It was fantastic to be able to bring our community together in-person to celebrate the successes we've had as an industry over the last few years. As we plan future events, the DBA will continue to explore new in-person and virtual formats, to inspire and connect our community.

Through our easily accessible Online Learning Academy, 238 individuals from 123 businesses attended 19 DBA courses. These ranged from 90-minute stand-alone modules tackling essential business skills such as time and project management, through to more extensive three-part courses, like Reimaging Leadership targeting a more senior audience amongst our membership. This course in particular, along with our New Business courses, were very popular and the online format continues to be well received by delegates, with DBA workshops receiving excellent feedback on how they boost the confidence and performance of individuals and teams.

**Mentoring**

The DBA's Twenty/Twenty business mentoring programme has been running since 2011 and has created a community of hundreds of DBA members who have used the process to make more informed decisions about their businesses, their people and themselves. During 2022, a 12<sup>th</sup> cohort of industry leaders worked with business owners and senior teams, with 15 mentees benefiting from the guiding hand their mentor provided during an unpredictable year.

It's incredibly rewarding to see the influence the programme has on the businesses and lives of the mentees and we look forward to seeing the transformational impact it will have on the 17 mentees we welcomed to the 13<sup>th</sup> Twenty/Twenty cohort in December, who will participate in and benefit from the programme in 2023.

### **Design Effectiveness Awards**

The breadth of challenges faced by companies, societies and the planet today, provide unparalleled opportunities for design. But to capitalise on these, the onus is on us all to demonstrate to business and government the scope of what design investment can deliver.

Taking place virtually for the last few years due to the pandemic, the DBA Design Effectiveness Awards winners' announcement has proved a fantastic means by which to do this – championing the winners' impressive achievements globally, with attendees watching from both here in the UK, and overseas. Featuring work for global companies and government departments, to start-up challenger brands and charities, the results evidenced by the winners provide the DBA, and the industry, with unequivocal proof that investment in design is the route to competitive advantage. Through lively interviews and informative videos, the event brings to life the breadth of ways design can drive opportunity into the organisations we work with and for, celebrating design's ability to solve challenges and deliver impact.

The winners of 24 Gold, Silver and Bronze DBA Design Effectiveness Awards were announced during the online ceremony in June, with their case studies accessible in full via the DBA's extensive Effectiveness Library at [effectivedesign.org.uk](http://effectivedesign.org.uk) and on [warc.com](http://warc.com). In its global bulletin, Warc also featured a compelling look at why the Design Effectiveness Award winners prove that in today's world, design is a priority.

Although the entry deadline for the 2023 DBA Design Effectiveness Awards took place in the wake of Prime Minister Liz Truss' brief but disruptive term in office, the number of award submissions was consistent with the last few years. The entries will be judged by a panel of 36 senior level clients and CEOs confirmed to join the judging panel in 2023.

### **Advocacy**

Representing the design sector on the UK Council for the Creative UK Group as it shapes and delivers its strategy, it has been especially rewarding to support the Group and its partners in their work to champion creative education. If we want to remain a nation that continues to lead the world in creativity, then we need to attract the very best talent, unlock new talent and diversify the sector's talent pipeline. The Creative UK Group unites all parts of the UK's Creative Industries in this aim and with one powerful voice to government. My role on its UK Council enables the DBA to work with like-minded organisations and individuals to shape impact and policy priorities to further the interests of our amazing creative industries, which deliver so much to the UK economy and society at large.

The DBA's work influencing government also involved, amongst many other activities, monthly meetings with the Department for Digital, Culture, Media & Sport (DCMS), providing opportunity for the DBA, as the design sector's trade association, to advocate for the contribution design makes to business growth and societal change, and in turn DCMS seeks guidance from the DBA on the key issues and challenges the sector is facing.

In a year of much political upheaval, it was especially important to ensure ministers that represent design know and understand it, and I shared an open video address to newly appointed Prime Minister Liz Truss to help do this. Although Truss is no longer in office, my message to government stands. Extraordinary times call for exceptional thinking and exceptional solutions, which is exactly what designers create every day. Given the complexity and breadth of issues facing business, government and the planet, a government that invests in and prioritises design to help solve the social, economic and sustainable challenges of today, will create a better tomorrow for us all.



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### Looking ahead

The DBA works to ensure that together, as an industry, we can build universal confidence in design investment and that we have the right business environments within which our teams can flourish.

My thanks to our Board, Bulletproof's Francesca Bayliss, Coley Porter Bell's Vicky Bullen, TDC PR's Tim Duncan, A Better View Strategic Consulting's John Gleason, Volvo Group's Pernilla Johansson, Diageo's Jeremy Lindley, Rufus Leonard's Will Rowe, 2LK's Andy Sexton, HMA's Nicola Tiffany, Natwest Group's Stephanie Verschoor and Sustainable Futures Educator & Interpreter, Carra Santos, and our new Chair, ELSE's Warren Hutchinson for your dedication and enthusiasm in helping us in this aim; and with particular thanks also to Lesley Gulliver and Erika Clegg who stepped down from the Board in 2022 after many years of service.

From our agency and corporate members, to our Experts, Board, trainers, award judges, speakers, sponsors, partner organisations and industry friends – the DBA truly is a community of peers. We're proud to be by your side every day – and thank you for being by ours – as together we shape the future.

Into 2023 and beyond, the Directors and Chair of the DBA's Board will be working closely with the DBA team to deliver against our long-term strategy to support and galvanise you – our members – to be the architects of your own future, leading effective design, creating sustainable change and nurturing ambitious new talent to create a better tomorrow for, and through design.



**Deborah Dawton**  
**Chief Executive Officer**  
10 March 2023

# Independent auditor's report to the members of the Design Business Association

## Opinion

We have audited the financial statements of the Design Business Association for the year ended 31 December 2022 which comprise of the Statement of Income and Retained Earnings, 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Other information

The directors 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.

### **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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of a going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that is fair presentation.

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

### Use of our report

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

Moore Kingston Smith LLP

Esther Carder (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

10 March 2023

Charlotte Building  
17 Gresse Street  
London  
W1T 1QL

# Statement of Income and Retained Earnings for the year ended 31 December 2022

	Notes	2022	2021
<b>Income</b>			
Subscriptions		669,614	584,345
Programmes and Services	110,518		115,498
Sponsorship	9,250	119,768	7,500
Other income		5,637	13,811
		795,019	721,154
Direct expenditure		(62,496)	(60,603)
<b>Gross income</b>		732,524	660,551
Administrative expenses		(703,908)	(619,040)
<b>Operating surplus</b>		28,616	41,511
Interest receivable and similar income		1,291	24
<b>Surplus/(deficit) on ordinary activities before taxation</b>	2	29,907	41,535
Taxation	3	0	(5)
<b>Surplus/(deficit) for the financial year</b>		29,907	41,530
Retained earnings at 1 January 2022		122,280	80,750
Retained earnings at 31 December 2022		152,187	122,280

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# Balance Sheet at 31 December 2022

	Notes	2022	2021
		£	£
<b>Fixed Assets</b>			
Intangible assets	4	57,322	66,372
Tangible assets	5	<u>4,806</u>	<u>3,379</u>
		62,128	69,751
<b>Current Assets</b>			
Debtors	6	134,671	141,209
Cash at bank and in hand		<u>235,509</u>	<u>180,913</u>
		370,180	322,122
<b>Creditors</b>			
Amounts falling due within one year	7	<u>(280,121)</u>	<u>(269,593)</u>
<b>Net Current Assets</b>		<u>90,059</u>	<u>52,529</u>
Creditors: amounts due after one year	8	-	-
<b>Net Assets / (Liabilities)</b>		<u>152,187</u>	<u>122,280</u>
<b>Reserves</b>			
Income & expenditure account		<u>152,187</u>	<u>122,280</u>

These financial statements which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime. The financial statements were approved by the board of directors and authorised for issue on 10 March 2023 and signed on its behalf:



**D Dawton – Director**  
Company registration number 02471955

# Notes to the Financial Statements for the year ended 31 December 2022

## 1. Accounting policies

### Company information

The Design Business Association is a company limited by guarantee domiciled and incorporated in England and Wales. The registered office is Charlotte Building, 17 Gresse Street, London W1T 1QL.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

### 1.2 Going concern accounting policy

The Company made a surplus for the year of £29,907 (2021: surplus of £41,530), and as at the balance sheet date had cash reserves of £235,509 and net assets of £152,187 (2021: net assets of £122,280).

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in the operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Sponsorship and programme income are recognised in the period to which it relates. Membership subscription income is recognised evenly over the period to which it relates with any amounts received in advance included in deferred income.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.



#### **1.4 Intangible fixed assets**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Directory	10 year straightline
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#### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers and equipment	3 year straightline
Furniture and fittings	7 year straightline

The gain or loss arising on the disposal of an asset is determined on the difference between the sale proceeds and the carrying value of the asset and is recognised in the profit and loss account.

#### **1.6 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### **1.7 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.8 Financial instruments**

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other or basic instruments measured at fair value.

#### **1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The costs of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where another more systemic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

## 2. Surplus/(Deficit) on ordinary activities

The surplus/(deficit) on ordinary activities is stated after charging:

	2022	2021
	£	£
Depreciation	3,453	4,563
Amortisation	9,050	9,051
Auditor's remuneration	5,000	6,625
Director's remuneration	123,258	107,284

### 3. Taxation

The company is engaged in mutual trading and as such it is liable to corporation tax on its investment income only.

	2022	2022
	£	£
Corporation tax at 19%	=	<u>5</u>

### 4. Intangible fixed assets

#### Directory Costs

#### Cost

At 1 January 2022	90,508
Additions	-
Disposals	-
At 31 December 2022	<u>90,508</u>

#### Depreciation

At 1 January 2022	24,136
Charge for the year	9,050
Disposals	-
At 31 December 2022	<u>33,186</u>

#### Net Book Value:

As at 31 December 2022	57,322
As at 31 December 2021	66,372

### 5. Tangible fixed assets

Computers & equipment	Fixtures & fittings	Total
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#### Cost

At 1 January 2022	11,875	38,457	50,332
Additions	4,880	-	4,880
Disposals	-	(38,457)	(38,457)
At 31 December 2022	<u>16,755</u>	<u>-</u>	<u>16,755</u>

#### Depreciation

At 1 January 2022	9,777	37,176	46,953
Charge for the year	2,172	1,281	3,453
Disposals	-	(38,457)	(38,457)
At 31 December 2022	<u>11,949</u>	<u>-</u>	<u>11,949</u>

#### Net Book Value:

As at 31 December 2022	4,806	-	4,806
As at 31 December 2021	2,098	1,281	3,379

## 6. Debtors falling due within one year

	2022	2021
	£	£
Trade Debtors	113,359	93,612
Prepayments and accrued income	18,412	33,798
Other Debtors	2,900	13,799
	<u>134,671</u>	<u>141,209</u>

## 7. Creditors falling due within one year

	2022	2021
	£	£
Bank Loans and Overdrafts	-	-
Trade Creditors	9,771	13,728
Corporation Tax	160	160
Tax and Social Security	86,745	78,672
Other Creditors	2,642	5,297
Accruals and Deferred income	180,585	171,736
	<u>279,903</u>	<u>269,593</u>

## 8. Operating lease commitments

At the reporting end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Amount due in one year	-	58,420
Due between 2-5 years	<u>-</u>	<u>14,500</u>
	<u>-</u>	<u>72,920</u>

## 9. Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2021 – 8).

## 11. Control

There is no ultimate controlling party.