RSA (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERCE)

England & Wales · Charity number 212424

Details

Other names	THE ROYAL SOCIETY OF ARTS (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERCE), R S A, ROYAL SOCIETY OF ARTS
Status	Registered
Legal form	Other
Company number	RC000523
Registered	1963-03-23
Register	View on the Charity Commission register

Contact

Address	Royal Society For The Encouragement Of Arts Manufacturers & Commerce 8 John Adam Street London WC2N 6EZ
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Email	general@rsa.org.uk
Website	www.thersa.org

Activities

Objects: THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERCE (FOR FULL DETAILS SEE PARAGRAPH 4 OF ROYAL CHARTER)

Activities: We are a unique global network of around 31,000 changemakers enabling people, places and the planet to flourish. We champion curiosity, creativity and courage to inspire better ways of thinking and doing. Our proven change process, rigorous research and design skills, innovative ideas platforms and our wider convening power combine to enable the RSA to deliver solutions for lasting change.

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Classification

- **How:** Provides Buildings/facilities/open Space, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Australia
- Canada
- New Zealand
- Scotland
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£12,634,698	£13,649,990	£30,997,648	101
2024-03-31	£12,519,198	£13,245,424	£32,857,516	100
2023-03-31	£12,879,950	£12,762,322	£31,685,379	112
2022-03-31	£10,378,027	£11,254,567	£32,585,712	111
2021-03-31	£8,400,396	£10,037,645	£31,815,051	110

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Trustees

Name	Role	Appointed
Dame Alison Carnwath		2025-10-15
David D'Souza		2022-10-04
Dinah Casson		2025-05-10
Dr HOSEIN KHAJEH-HOSSEINY		2022-10-04
Eva Pascoe		2024-03-15
Fraser Hardie		2025-02-20
Ian Ailles		2021-10-11
Loyd Grossman CBE		2024-10-10
Michael Davis		2025-10-15
Sam Lewis		2020-10-13
Sandra Boss		2022-10-04
Shaifali Puri		2020-05-12

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Linked charities

- DR ALDRED TRUST (212424-1)
- RSA GENERAL LECTURE FUND (212424-10)
- ART CONGRESS STUDENTSHIP (212424-11)
- NEIL MATHESON MCWHARRIE TRUST (212424-12)
- JOSEPH PAXTON MEMORIAL (212424-13)
- A C BOSSOM LECTURE ENDOWMENT FUND (212424-14)
- FRED HENRY ANDREWS TRUST (212424-15)
- JAMES CRANSTOUN BEQUEST (212424-16)
- THE BOSSOM LECTURES (212424-17)
- LE NEVE FORSTER TRUST (212424-18)
- JOHN FOTHERGILL TRUST (212424-19)
- SIR GEORGE BIRDWOOD MEMORIAL FUND (212424-2)
- THOMAS GRAY MEMORIAL TRUST (212424-20)
- HOWARD TRUST (212424-21)
- OWEN JONES MEMORIAL TRUST (212424-22)
- DR MANN TRUST (212424-23)
- NORTH LONDON EXHIBITION PRIZE (212424-24)
- SIR WILLIAM J POPE MEMORIAL FUND (212424-25)
- W J PARKER BEQUEST (212424-26)
- RUSSIAN EMBASSY PRIZE (212424-27)
- BENJAMIN SHAW TRUST (212424-28)
- JOHN STOCK TRUST (212424-29)
- SELWYN BRINTON TRUST (212424-3)
- DR SWINEY'S BEQUEST (212424-30)
- THE SIR KEITH SHOWERING YOUNG MUSICIANS AWARD (212424-31)
- THE BETRO TRUST (212424-32)
- RSA GENERAL AWARDS FUND (212424-33)
- ALFRED DAVIS BEQUEST (212424-4)
- TRUEMAN WOOD LECTURE ENDOWMENT FUND (212424-5)
- CADMAN MEMORIAL FUND (212424-6)
- LADY HOLLAND TRUST (212424-7)
- E FRANKLAND ARMSTRONG TRUST (212424-8)
- EDMUND RICH MEMORIAL LECTURES (212424-9)

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RSA (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERC

England & Wales - Charity number 212424

Accounts

Impact Report 2024-25



And financial statements for the year ended 31 March 2025

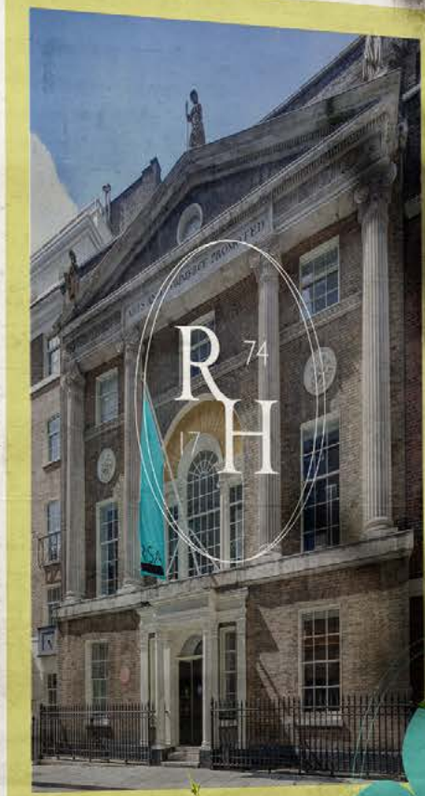
RSA Interventions



RSA Fellowship



RSA House



Governance

PATRON OF THE SOCIETY

Her Royal Highness The Princess Royal

TRUSTEES

Sir Loyd Grossman CBE
Chair of Trustees (from October 2024)

Tim Eyles OBE
Chair of Trustees
(until October 2024)

Charlotte Oades
Deputy Chair

Ian Ailles
Co-treasurer

Jill Humphrey
Co-treasurer
(until November 2024)

Neil Beagrie

Sandra Boss

Dinah Casson
(from May 2025)

David D'Souza

Fraser Hardie
(from February 2025)

Andrea Kershaw
(until October 2024)

Hosein Khajeh-Hosseiny

Sam Lewis

Eva Pascoe

Shaifali Puri

John Towers

SENIOR LEADERSHIP TEAM

Andy Haldane
Chief Executive Officer
(until June 2025)

Sascha Taylor
Chief Operating Officer

Tom Stratton
Chief of Staff

Mark Blair
Director of Finance

Kimberly Bohling
Director of Research and Learning
(until January 2025)

Joanna Choukeir
Director of Design and Innovation

Vicky Kington
Director of Content and Communications

Line Kristensen
Director of Fellowship

CONSTITUTION

The RSA is a charity governed by a Royal Charter (RC000523). It is registered under the Charities Act 2011. Registration number 212424.

The RSA is also registered in Scotland. Registration number SC037784.

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Tower Bridge Road
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SOLICITORS

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Arbor
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Introduction from Chair of Trustees



At the heart of all the RSA does and aspires to do is our Fellowship: a global community of tens of thousands whose energy, expertise and collaboration are key.

Together, we are advancing a shared vision of improving society by strengthening social connections, building skills, and creating more inclusive, prosperous places. We do this through innovative pilots in UK cities, expanding children's access to nature, growing global influence and supporting RSA Fellows to develop causes that matter to them. We want our impact to make a difference.

A spirit of connection is visible in the RSA's digital and physical homes. Circle, our online community platform, enabled around a fifth of our Fellows to engage in debate to seek resolutions to national and global challenges. The vibrancy of RSA House continues to grow, welcoming more than 100,000 visitors last year to share our spaces and participate in activities. We've opened a bar to broaden the offer and have significantly developed curated art exhibitions in partnership with Fellows and emerging artists. All of this has been supported by welcoming globally renowned speakers to our events stage, presenting bold new ideas and compelling topics which have seen more attendees and greater diversity than ever before.

This year also marks a leadership transition. Our CEO, Andy Haldane, announced his retirement in early 2025, and, on behalf of the Board and staff teams, I offer heartfelt thanks to Andy for his diligent leadership and transformative work in laying the foundations for our next chapter. We look forward to welcoming his successor, David Joseph, in September 2025.

At this time of rapid political, economic and social change, the role of the RSA is more important than ever. Thank you to everyone in our community – Fellows, partners, funders and, of course, our committed staff team – who supported us this year.

Sir Loyd Grossman, Chair of Trustees

Chief Executive's Reflections

AT the heart of the work of the RSA is our Design for Life mission. Now in its third year, we have seen significant further progress over the past 12 months towards meeting its objective of regenerating people, places and the planet.

The policy programme underpinning Design for Life now has three core strands: Social Connections, Capabilities for Life, and Prosperous Places. As this impact report sets out, we are now seeing these programmes move from start-up to scale-up, generating tangible improvements in communities across the UK and beyond.

Social connections have always been central to the RSA, including through our networks of Fellows and partners. But with the social fabric frayed, the importance of building social capital, cohesion and connections has rarely been greater. And to that end, we celebrated major steps forward in our Social Connections programme this year on both sides of the Atlantic.

Our Revealing Social Capital intervention built on groundbreaking US research by Professor Raj Chetty highlighting the key link between social connection and social mobility. The 2025 RSA Patron's Lecture, delivered by the godfather of social capital Professor Robert Putnam, platformed these findings, alongside the announcement of three place-based partnerships in Baltimore in the US and Ealing and Essex in the UK. This transatlantic initiative brings together practitioners to design ways to build social connections.

Through our Prosperous Places programme, we are advancing the cause of inclusive growth. We published Creative Corridors, a joint report with Creative PEC and Arts Council England, outlining a new framework for scaling collaboration across creative clusters. That has since been put into action through the launch of One Creative North, a pan-regional initiative to nurture the creative industries across the North of England.

The East Midlands Inclusive Growth Commission, launched in partnership with the newly formed combined authority (EMCCA), published its interim report in March 2025. It set out a novel blueprint for growth in the region. When its final recommendations are issued in September 2025, they will inform future proposals for up to £4bn of public investment, shaping EMCCA's inclusive growth strategy in the years ahead.

Our Capabilities for Life programme has gained considerable momentum through the launch of Playful Green Planet (PGP), an intervention championing nature-based creative play for young people. Pilot projects are already underway in Dundee and Hull, aiming to reach 2,000 children per city by 2026, with a strong pipeline of PGP sites emerging across the UK. Harnessing the expertise of the Fellowship, PGP is being run by a national network of PGP stewards.

100+
COUNTRIES

390+
FELLOWSHIP EVENTS

4,300+
PARTICIPANTS

30,000+
FELLOWS

These programmes and interventions underline the importance of engaging our large and diverse network of over 30,000 Fellows based in more than 100 countries. This year, we supported almost 400 Fellowship events worldwide, drawing on over 4,300 participants. We have invested in 25 area hubs across the UK to strengthen our regional engagement, in addition to RSA Connect, which took our senior leadership team to 14 cities to meet Fellows.

Our online community platform, Circle, now has almost 6,000 active Fellows, with a wide and growing range of micro-communities around shared interests. We also scaled up support for young Fellows aged 18-25. Our Young Fellows Mentoring Programme, which launched in 2024, now has more than 200 participants and was extended in spring 2025 to include professionals aged 26–35. We also launched Pay Fellowship Forward, an initiative funded by donations from Fellows to ensure financial circumstances are no barrier to joining the RSA.

Globally, the RSA's reach continues to broaden and deepen. Alongside our existing presence in the US and Oceania, we have significantly increased our engagement in Italy, China, Japan and Canada. In Japan, we are part of a new global partnership for Expo 2025 Osaka, Kansai. We are hosting events at RSA House and the UK Pavilion in Osaka to showcase UK-Japan collaboration and innovation.

RSA House is an increasingly thriving and vibrant public space, hosting a wide range of cultural events, lectures and exhibitions. Muse at RSA House opened its doors in November 2024, our new bar for Fellows and friends. We are also showcasing and championing the arts, with RSA House curating more than 80 arts events making it an increasingly prominent visitor destination.

Financially, as in the wider economy, things remain challenging. In the financial year to March 2025, the RSA incurred a net loss of £1.9m, including a £0.8m loss on investments. Our general reserves remain strong at £8.3m. But continuing efforts to control costs and boost revenues will be needed to preserve our ability to invest in mission-critical work.

This year, I announced my decision to retire in summer 2025 after four years as chief executive. The RSA is blessed with energetic and dedicated staff, Fellows and partners, whom I thank deeply for their commitment and contribution to their RSA.

With our Design for Life mission in full swing, the RSA is as well-placed as ever in its history to have the large and lasting impact on people, places and the planet the world sorely needs. I look forward to the RSA making even greater progress towards those objectives in the years ahead.

Andy Haldane, Chief Executive Officer (until June 2025)

At the heart of the work of the RSA is our Design for Life mission. Now in its third year, we have seen significant further progress over the past 12 months.



About Us



We are the RSA.

The Royal Society for the Encouragement of Arts, Manufactures and Commerce.

Our Design for Life mission is to enable people, places and the planet to flourish in harmony.

Our vision is a world where everyone can fulfil their potential and contribute to more resilient, rebalanced and regenerative futures.

A GLOBAL RSA

The RSA has been at the forefront of significant social impact for more than 270 years. Since our creation – in a London coffee house in 1754 – we have provided a space for people to come together, share ideas and take forward projects that make the world a better place.

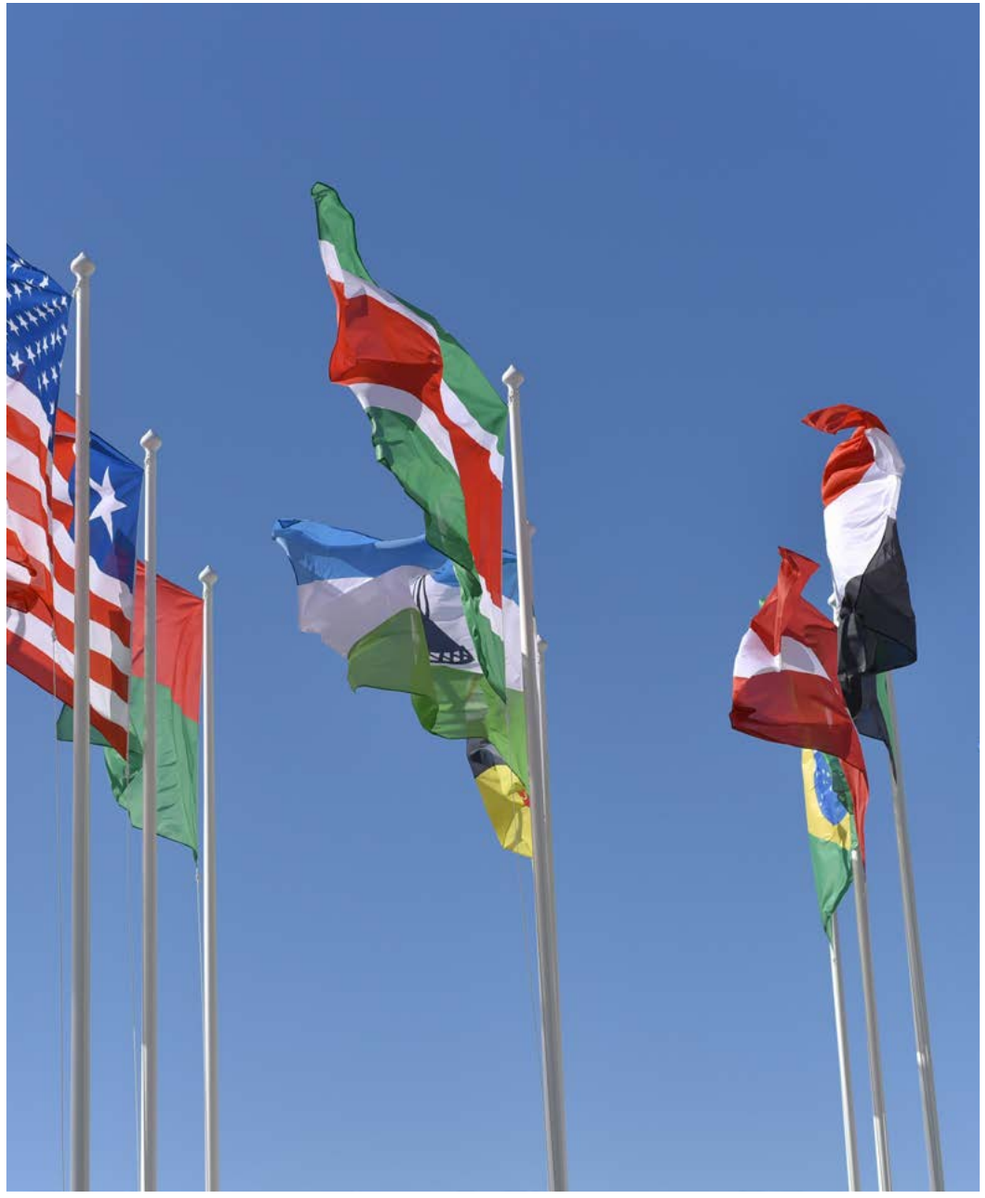
In September 2024 we celebrated 250 years of RSA House, and our London home remains a big part of our success story. But we are now a global organisation – with more than 30,000 Fellows in 106 countries helping to create a better future.

In 2024, our theme for the year was courage, one of our core values. For 2025, we have adopted the power of connection as our theme. Connection was the focus of our CEO Lecture in January, Patron's Lecture in March, and Fellows Festival in May, and will continue to be explored across our activities this year.

OUR VALUES

To achieve our Design for Life mission, we ask everyone – our staff, our Fellowship, our collaborators, our partners and wider society – to commit to our values and world view.

Our five values underpin everything we say and do, how we work with people, behave towards them and communicate.



Open

Always inclusive, transparent and honest, we welcome new thinking and different perspectives

Optimistic

We are confident that together we can regenerate our world through collective action

Courageous

We champion curiosity, creativity and bravery to inspire better ways of thinking and doing

Rigorous

Rooted in evidence-led thinking, we act with integrity and purpose

Enabling

Through generosity, respect and collaboration, we help others succeed

Our Mission



LAUNCHED in 2022, we continue to develop and mature the RSA's Design for Life mission – to enable people, places and the planet to flourish in harmony. This is directly linked to our vision of a world where everyone can fulfil their potential and contribute to more resilient, rebalanced and regenerative futures.

The mission and the vision depend on: who you know; what you know; and where you live. Our Design for Life programmes therefore intersect across these three ingredients to deliver co-benefits to society (see Figure 1):

1. Social Connections enables the relationships needed to broaden horizons and open doors

2. Capabilities for Life shapes the capabilities needed to grow a meaningful career and to thrive in life

3. Prosperous Places creates opportunities to participate in jobs, housing, transport, healthcare and nature

Our three programmes have remained largely the same over the period. However, some of the interventions within them have evolved. For example, our Social Infrastructure programme is now Social Connections. Our Digital Badging Commission intervention has moved into the Capabilities for Life programme. And Innovation Corridors are now part of Local Prosperity Plans.

Figure 2 outlines the current Design for Life programme and intervention structure.

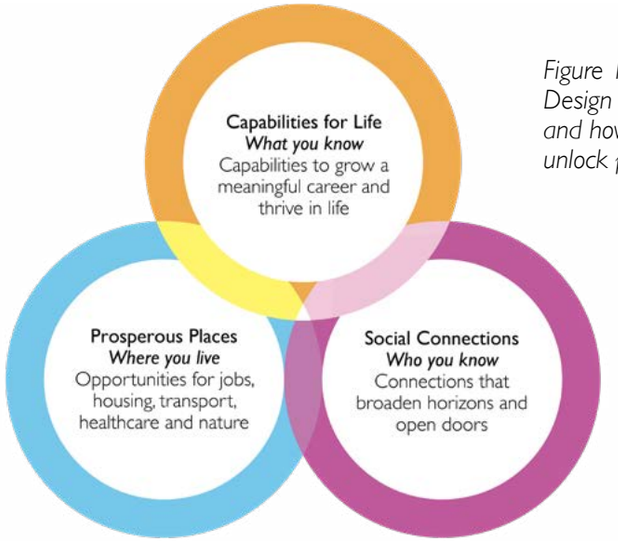


Figure 1: The RSA's three Design for Life programmes and how they collectively unlock potential.

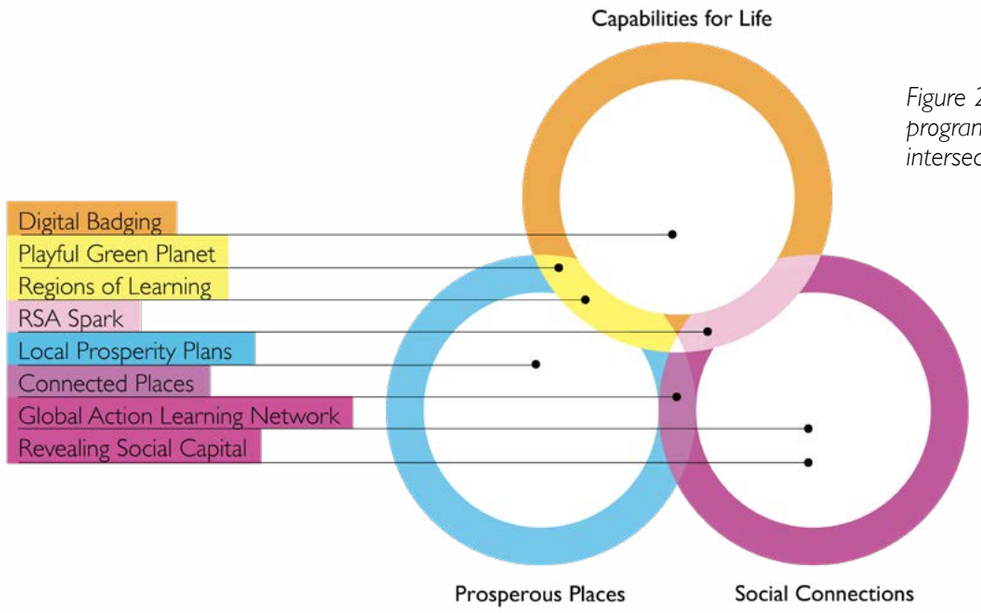


Figure 2: Design for Life programme structure and intersecting interventions.

Social Connections: who you know

REVEALING SOCIAL CAPITAL

Ambition: To map, interrogate and understand social capital in a more comprehensive way than before in the UK.

Action: A research project that mirrors the groundbreaking US work undertaken by Raj Chetty, Professor of Public Economics at Harvard University. The project draws on UK Meta data to examine how social capital relates to social mobility, health and education. In partnership with Behavioural Insights Team (BIT), Neighbourly Lab, Stripe Partners, Opportunity Insights and Meta, our team helped analyse six billion Facebook friendships to see how connected people are across income levels.

Impact: The study revealed that friendships across socioeconomic lines have a strong relationship with future earnings and social mobility. These insights will allow us to develop policies that bolster social capital and connectedness across the UK, and to target areas of greatest need – ultimately leading to improved life outcomes for millions of people.

GLOBAL ACTION LEARNING NETWORK

Ambition: Connect practitioners from across the US and UK to grow the social capital field by sharing insights, improving best practices and fostering collaboration.

Action: In May 2024, Raj Chetty was awarded the Benjamin Franklin Medal by RSA US for his social capital research. Held in New York, the event launched the US Global Action Learning Network (GALN). This was followed by a series of events bringing together leading thinkers, funders and practitioners working to advance a movement for social connection in partnership with the Foundation for Social Connection, the American Academy of Arts and Sciences, Opportunity Insights and Life Calling.

These events culminated in the 2025 RSA Patron's Lecture delivered by Professor Robert Putnam on why social capital matters. The lecture brought together UK social capital practitioners, launching the UK leg of the GALN.

Impact: Mapped more than 200 UK and US leaders on the social connection agenda; engaged more than 90 leaders in events in North America to help develop a community of practice on social capital; and engaged high-profile partners in field-building opportunities.

These insights will allow us to develop policies that bolster social capital and connectedness across the UK and to target areas of greatest need.



Social Connections: who you know

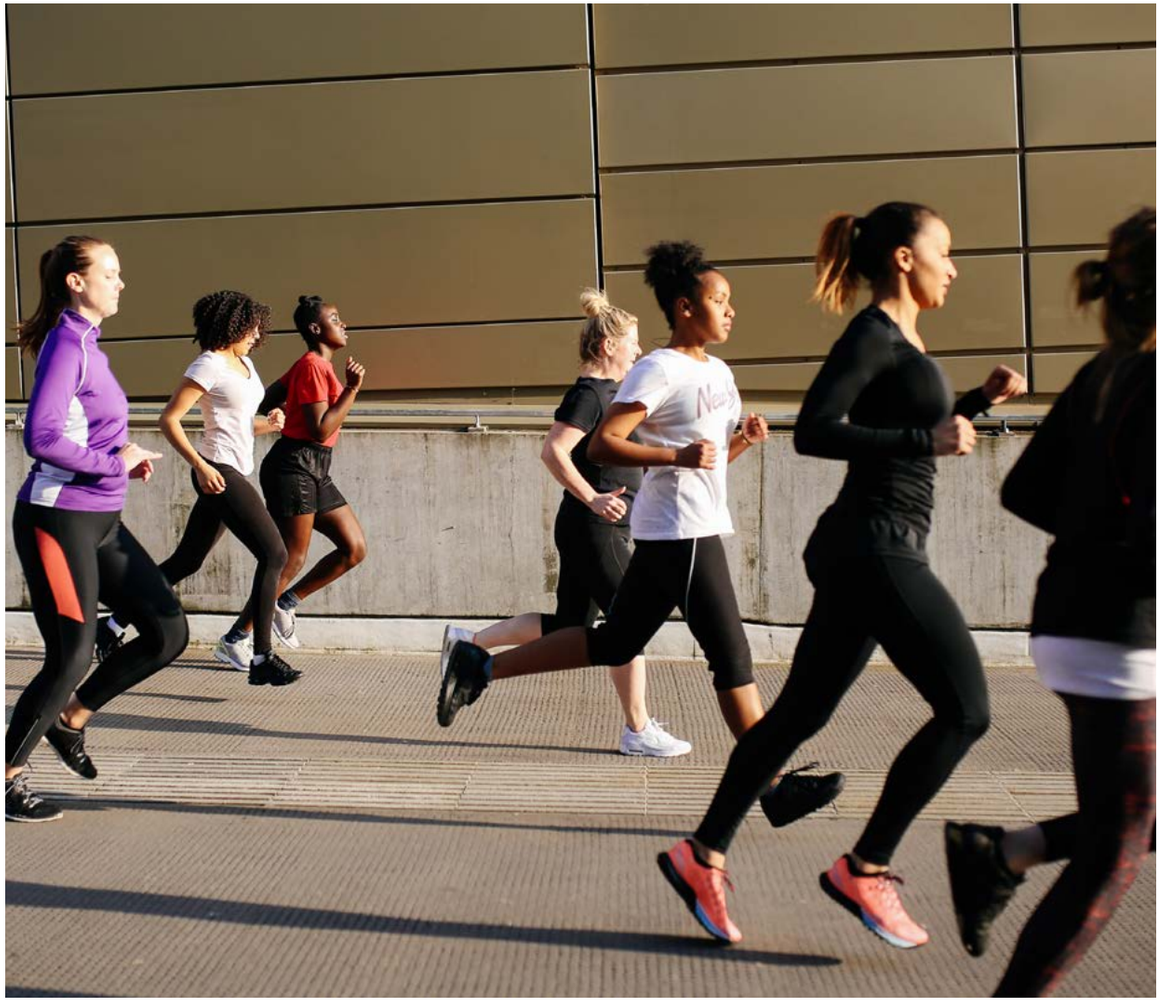
CONNECTED PLACES

Ambition: Deploy the Revealing Social Capital research findings to catalyse social mobility through a practical programme to build social connections in places across the world.

Action: Our approach uses cutting-edge data and collective action techniques to map social connections in a place, and then set out a shared vision, common goals and impact metrics for growing social capital. At the Patron's Lecture, we announced partnerships with Ealing Council and Essex County Council in the UK, and Baltimore in the US, marking the launch of a cohort of pilot projects exploring how to unleash the power of social capital.

Impact: We hope to grow the cohort of places we work with to gather evidence, identify best practices for replenishing social capital and improve the lives of people who live, work and study there.

Our approach uses cutting-edge data and collective action techniques.



Capabilities for Life: what you know

DIGITAL BADGING COMISSION

Ambition: The overarching ambition of the Digital Badging Commission, funded by the Ufi VocTech Trust, is to build a consensus in and movement towards the development and deployment of digital badges and credentials to strengthen the UK's skills infrastructure.

Action: The work has brought together more than 100 stakeholders from education, employment and technology to build a consensus on trust in non-accredited learning digital credentials, consider the technical and cultural foundations of a skills ecosystem, and set out a practical vision for digital badges to support productivity, growth and inclusion.

We have learnt from international examples of good practice in the use of skills wallets and digital education credentials. The final report and recommendations were socialised among key ministers in May to July 2025. The commission's findings launch in October 2025, with further communications and engagement planned for November 2025 to January 2026.

Impact: Progress made by the commission has been shared at key events including the ePIC conference (Paris, November 2024) and the Adult Learning Technologies webinar (April 2025), to connect with others in this area and raise awareness and buy-in further.

PLAYFUL GREEN PLANET

Ambition: Playful Green Planet (PGP) envisions a world where every child has access to nature-based creative-play spaces and experiences. It is a movement of place-based stewards working to grow children's social and climate action capabilities, and to regenerate local communities and ecologies.

Action: The National Lottery Community Fund generously funded the first two pilots in 2025 with founding stewards in Dundee and Hull. The pilots are delivered in partnerships with the Eden Project and Bath Spa University, and run until summer 2026, with the ambition for each place to reach a minimum of 2,000 children, unlock 24,000 hours spent in creative nature-based play, engage 20 partners in co-design, and provide an evidence base for the benefits of this approach.

Alongside the pilots, we are testing a PGP Network across the UK and through the RSA Fellowship. We are hoping to onboard new PGP stewards, with the aim of growing the network to engage 100,000 children in nature-based play by 2030.

Impact: The Maxwell Centre in Dundee was the first PGP steward to launch in March 2025 with the Toadstool Trail. This outdoor scavenger hunt attracted 100 visitors of all ages on its opening day (Figure 3). Similarly, the University of Hull is planning its launch for June 2026 in its botanical gardens.

PGP is a movement of place-based stewards working to grow children's social and climate action capabilities, and to regenerate local communities and ecologies.



Capabilities for Life: what you know

FROM THE STUDENT DESIGN AWARDS TO RSA SPARK

Ambition: This year we celebrated 100 years of the Student Design Awards (SDAs) and 10 years of the Pupil Design Awards. The secret to creating impact is not to stand still – and that is certainly the case with the SDAs, as they have evolved to meet the economic, social and environmental innovation opportunities of their time.

And now – enter RSA Spark, for even greater impact. RSA Spark welcomes students from across the globe to grow and apply their agency, skills and creativity to real-world briefs.

Actions: We have co-created the new vision for RSA Spark with a generous community involving more than 50 students, 20 educators, 10 entrepreneurs and 50 partners. We beta tested the RSA Spark offer with a cohort of education partners and learners, and identified elements that gave us confidence in the direction of travel, alongside others that we deprioritised.

The benefits of this centenary transformation include a shift from a single winner model to a ladder of opportunities, a digitally badged learning programme, industry connections, and a bridge into entrepreneurship support. We are also focusing on higher education students as this is where we have the greatest reach and potential for success.

Impact: The SDAs' impact and reach over the past century have been astounding. It is early days for RSA Spark, having launched in March 2025 after a beta phase with our new briefs and partners (see Figure 4). However, early feedback from students, educators and partners indicates great potential.

> The secret to creating impact is not to stand still.



Figure 4: RSA Spark's founding briefs and partners, with a special thanks to JJ Charitable Trust for supporting the learning programme

Prosperous Places: where you live

LOCAL PROSPERITY PLANS

Ambition: Revolutionise approaches to stimulating inclusive growth and growing local prosperity in partnership with local leaders and residents.

Action: Clarity of purpose and objectives, alongside well-defined ways of delivering them, are the golden threads running through the strategies of successful places. Our Local Prosperity Plans intervention is a toolkit for shaping such strategies. We have worked with places across the UK to turn words into action.

In October 2024, the RSA published a report on Creative Corridors in partnership with the Creative PEC and Arts Council England. The report serves as a framework for action, showing how clusters of local leaders, creative businesses, arts and cultural institutions, and networks of talent, can collaborate – unlocking opportunities for investment, jobs, skills provision and cultural access. Alongside the report, we worked to put the framework into action, helping initiate a creative corridor for the North of England, **'One Creative North'.**

In partnership with the newly formed East Midlands Combined County Authority, the RSA also launched its East Midlands Inclusive Growth Commission (IGC) in November 2024. This has been tasked with recommending a long-term and evidence-based plan to unleash potential and deliver prosperity for the region.

Impact: One Creative North was announced at the Convention of the North by Tracy Brabin, Mayor of West Yorkshire, in March 2024. The pan-regional initiative will see the launch of a new multi-million-pound investment fund, as well as lifelong training opportunities to help nurture and retain creative talent in the North.

The ICG unveiled its interim report in March 2025. It set out a picture of the East Midlands' strengths, challenges and opportunities, the action that could stimulate inclusive growth, and the powers the mayor could require to make good on this plan.

REGIONS OF LEARNING

Ambition: Reimagine learning for those over 16 who have not thrived in traditional education settings through a technology-led approach to accrediting capabilities not recognised by formal education.

Action: The Regions of Learning offer is being evolved in collaboration with potential partners. Despite positive conversations, no partnerships were secured during the year. As with any innovation process, it is important to acknowledge market signals while taking care to ensure assets are repurposed rather than discarded and lessons are learnt.

The East Midlands Inclusive Growth Commission has been tasked with recommending a long-term and evidence-based plan to unleash potential and deliver prosperity.

Global RSA

The RSA's global approach is designed to focus international efforts (outside of the UK) on a small number of opportunities that offer potential. There are four areas of focus: USA, Oceania, Canada and Japan.

RSA US

RSA US has focused on growing the Social Connections programme. This has involved both supporting the building of a network of social capital practitioners, organisations and funders that will allow the RSA to form regional partnerships, as well as seeding two Connected Places projects in Baltimore and Boston. We have also partnered to help incubate the Chamber of Connection, a new civic organisation to support social connection across US cities.

RSA Oceania

In Oceania, the RSA has partnered with the Royal Melbourne Institute of Technology (RMIT) to co-author a white paper that proposes education policy changes and guidelines for a regenerative curriculum in higher education. The white paper was published in April 2025, with a launch event planned for September.

Japan

The work in Japan has focused on the 2025 World Expo in Osaka. In March 2025, the RSA announced a partnership with the Department for Business and Trade to deliver the UK's event programme for the expo, taking place from April to October 2025. We are hosting a series of live, in-person events at RSA House and the UK Pavilion in Osaka, celebrating UK-Japanese collaboration and innovation. We estimate that the UK's World Expo will reach global audiences of millions.

The RSA's work in Japan has focused on the 2025 World Expo in Osaka.



Fellowship



FOR the last 271 years, the RSA Fellowship has been unlike any other – a community defined by its breadth. Here, artists work alongside economists, educators spark ideas with engineers, and activists share space with entrepreneurs. It is our rich mix of disciplines, backgrounds and lived experience that makes the RSA a place where bold thinking becomes collective action.

As of March 2025, we had 30,299 Fellows in 106 countries, with 3,150 new Fellows joining the RSA over the year. It was our second strongest recruitment year since 2018. Among them were 601 young Fellows aged 18–25, representing a 23% increase year-on-year, reflecting the success of our inclusive outreach.

On the flipside, our retention efforts were particularly impacted by the economic landscape. This fuelled our efforts to continue to remove financial barriers to participation. We did so through 861 bursaries and short-term subsidies, as well as launching Pay Fellowship Forward, raising £13,169 in donations to help others to join regardless of financial circumstances.

YOU SAID, WE DID

Fellow voice is central to everything we do. We listen through surveys, events and one-to-one conversations. Our 'You said, we did' approach reflects a commitment to listening carefully, identifying shared themes and adapting our offer in response. We continue to gather survey responses on the Fellowship experience, our offer, the RSA Journal and other areas. These insights directly shape how we prioritise, communicate and design what comes next.

This year, that feedback led to a stronger focus on place-based engagement beyond London, an expanded micro-communities offer, and more ways for Fellows to connect with each other and the RSA's mission. We are also working to better tailor our communications to individual interests and aspirations.

CONNECTING LOCALLY AND GLOBALLY

A core theme from the Fellowship was the wish to form supportive connections locally as well as internationally, where Fellows live and work.

In 2024–25, Fellows gathered at 393 local and global events, up 58% from the previous year. These events attracted 4,306 attendees, building new networks and sustaining local connections.

We are investing resources in 25 area hubs across the UK, each offering co-working spaces and activities for Fellows to meet, connect and collaborate. This builds on the 12 spaces we offered access to in 2023-24.

Alongside our existing presence in the United States and Oceania, we have also significantly



increased our engagement in Italy, China, Japan and Canada. Over the coming year, we plan to further increase and deepen our global engagement.

To further our focus on local engagement, our senior leadership team visited 14 different cities as part of RSA Connect, to meet with Fellows and hear more about their experiences. The leadership team also joined other Fellow-led events, including the annual Angus Millar Lecture in Scotland.

STRENGTHENING OUR MICRO-COMMUNITIES

A core part of how we bring the breadth of the Fellowship together for collective action is through our Fellow-led micro-communities. These groups connect Fellows across shared interests and expertise. Circle, our exclusive online community platform, supports 5,125 micro-community members, with groups forming around interests, identity and place. These communities self-organise to lead discussions, events, and projects.



This year our communities include: Architecture and Urban Planning; Augmented Society; Coaching; Criminal Justice; Deliberation Gateway; Disability and Ageing; Economy and Business; Fashion; Film and TV; Finance for Good; Gender Equity; Health and Care; Inclusive Work; Innovative Education; International Development; LGBTQIA+; Mindful Living; Performing Arts; Responsible Artificial Intelligence Network; Space; Sustainability; Systems Thinking; and Young Fellows.

ENABLING FELLOW-TO-FELLOW COLLABORATION

Fellows consistently ask for more ways to connect directly with one another, whether to share ideas, collaborate on projects or simply build community across distance and difference.

Circle was launched in 2023 to do just that, and it is now one of our most popular ways for Fellows to engage, with around 2,000 Fellows engaging each month. This year, nearly 6,000 Fellows used Circle to message peers, participate in shared spaces and join micro-communities. With improved search functionality, Circle has become the go-to destination for Fellows looking to connect by location, interest or expertise.

Alongside our online community, we launched our Young Fellow Mentoring Programme in the autumn of 2024, with 216 Fellows participating. This programme has facilitated cross-generational exchanges and supported the professional development of Fellows aged 18-25. In spring 2025, we expanded the programme to also support young professionals aged 26–35.

> I was at a crossroads – just finishing university and about to begin my career – so it was a crucial time to gain insight and guidance from someone more experienced in the field.”
>
> – Natalie Magness, RSA Fellow

> We have a wonderful community of Fellows here in Japan, which has organised many joyful and significant events, and triggered many friendships and collaborations.”
>
> – Tania Coke, RSA Fellow

ALIGNING ON OUR DESIGN FOR LIFE MISSION AND SOCIAL IMPACT

Our Fellowship is a movement for social good. This year, Fellows actively contributed to our core mission and led their own projects in communities across the UK and internationally.

Highlights from 2024–25 include:

- The Inclusive Growth Commission was shaped by the insight and involvement of Fellows in the Midlands, opening conversations about fairer and more inclusive regional economies.
- In Southampton, Fellows are contributing to our Prosperous Places programme by linking creative clusters across Hampshire. They are helping us understand what makes local creative industries and economies thrive.
- Our Playful Green Planet intervention is being brought to life in Hull and Dundee through local leadership. Fellows are using design and co-creation to build greener, more community-focused neighbourhoods – places where children have better access to outdoor space and play.

What sets the RSA Fellowship apart is not just the diversity of thought, but a shared commitment to turning ideas into action. We are more than a network; we are a 271-year-old movement. A movement of people who build, test and deliver change in the real world. This is the RSA at its strongest, where we come together and create impact.

> The work the RSA does is crucial. It provides a forum for bringing together thought leaders from across sectors and industries to develop solutions to society's biggest challenges. It offers leaders enrichment, stretch and a valuable network from which to generate change.
>
> – RSA Fellow



THE AWARD-WINNING RSA JOURNAL

The RSA Journal remains a highly valued benefit of being a Fellow. It is a regular global award winner for both the quality of the print publication and its online content, and continues to be enjoyed and highly regarded by the RSA's global Fellowship.

In total, the Journal won 11 awards at three prestigious ceremonies in 2025. These comprised:

Astrid Awards 2025 (recognising international design communications)

- Grand and Gold Awards – 'Can democracy survive AI' Journal video (June 2024)
- Bronze Award – Courageous governance Journal cover (June 2024)
- Honours for RSA 270th anniversary issue Journal cover (March 2024)

Internal Communications and Engagement Awards 2025

- Bronze for best internal publication (print)

Corporate Content Awards 2025

- Overall award for best corporate storyteller
- Gold Award for best use of a celebrity/ influencer (for the Journal's work across print and video with musician AY Young)
- Gold Award for best use of content on social media
- Gold Award for best use of animation (for the 'Can democracy survive AI' video)
- Bronze Award for best use of print
- Bronze Award for best long-term use of content

Fellowship surveys continue to reflect strong support for the Journal. In the 2024/25 Reader Survey, 88% of respondents described the Journal as an important part of their Fellowship. Of these, 41% said it was 'very' or 'extremely' important. The majority of Fellows surveyed agreed that the Journal is accessible, includes high-quality design and content, introduces new ideas and writers, and updates readers on the RSA's work.

Journal content from each edition is shared and distributed online (alongside the print edition landing in homes quarterly), and includes behind-the-scenes content such as filmed interviews, video previews and animations. Much of this content is accessed through YouTube, LinkedIn, Instagram and TikTok, with our online Journal output proving to be some of the most engaged pieces of content across the RSA's social media channels.

The Journal is a regular global award winner for both the quality of the print publication and its online content.



Connecting with like-minded Fellows at local RSA events has been such a valuable part of my Fellowship. I always leave having learned something new or make a new connection. Over the last year, I've deepened my Fellowship as a Playful Green Planet steward in Hull, contributing to the Design for Life mission by helping children reconnect with the outdoors and supporting sustainable futures in our city.

– Lee Fallin, RSA Fellow and Playful Green Planet steward

RSA House



THE RSA, in partnership with our in-house catering and hospitality partner **Company of Cooks,** continues to develop the House as a destination for connection and collaboration across society. RSA House hosted more than 100,000 visitors over the year across a wide range of activities, including private and public events, visiting our range of facilities or due to an interest in our history and heritage.

The Coffee House remains the beating heart of the House. Our partner is Well Grounded, a social enterprise that transforms lives through sustainable careers in coffee, offering free certified barista training and employability skills to unemployed people. We employ Well Grounded participants and fundraise for the organisation through every cup of coffee purchased, making £2,500 this year.

Across the year, Company of Cooks has continued its work towards net zero. At RSA House we have decreased our CO_2e footprint by 40,533kg year on year. The London Larder programme accounted for 58.5% of total food and beverage purchases, meaning that over half of the food and beverage products purchased came from local suppliers that have been vetted for best practices, putting £280,000 back into the local economy.

Muse at RSA House, our new cocktail bar, opened its doors to guests in November 2024. The ground-floor space was beautifully transformed with stylish new furnishings and contemporary artworks, creating an inspiring setting for conversation and creativity. Muse is a vibrant new venue offering a selection of unique and innovative cocktails, crafted in partnership with **Idyll Drinks.** The bar celebrates British and rewilding ingredients, championing sustainable agriculture.

We also opened an extensively renovated **Design Studio:** a dynamic, creative space developed to attract bookings from the creative and tech industries and to broaden our reach.

HOUSE, HISTORY AND HERITAGE

In September 2024, we celebrated 250 years of RSA House by showcasing our archive throughout the building. We also joined in London Open House Festival celebrations, which saw 600 visitors on one day.

In October 2024, we launched our Pay Fellowship Forward campaign as part of a spectacular gala at RSA House celebrating the 250-year anniversary. More than 100 guests attended, including our Patron, Her Royal Highness The Princess Royal, current Chair Sir Loyd Grossman and former Chair Dame Prue Leith. The event was a great success and showed RSA House at its vibrant and energetic best.

Our archive continues to flourish, celebrating our heritage and history through the House and also online. We had a surge of enquiries from online researchers in 2024/25, including through the launch of **Find my Past,** which helps people learn about family ties to the RSA.

The library has been in existence for more than 200 years and continues to thrive. This year, we expanded our collection to include fiction, attracting a broader and more diverse readership. Library engagement remains strong, with a 20% increase in borrowers in 2024/25.

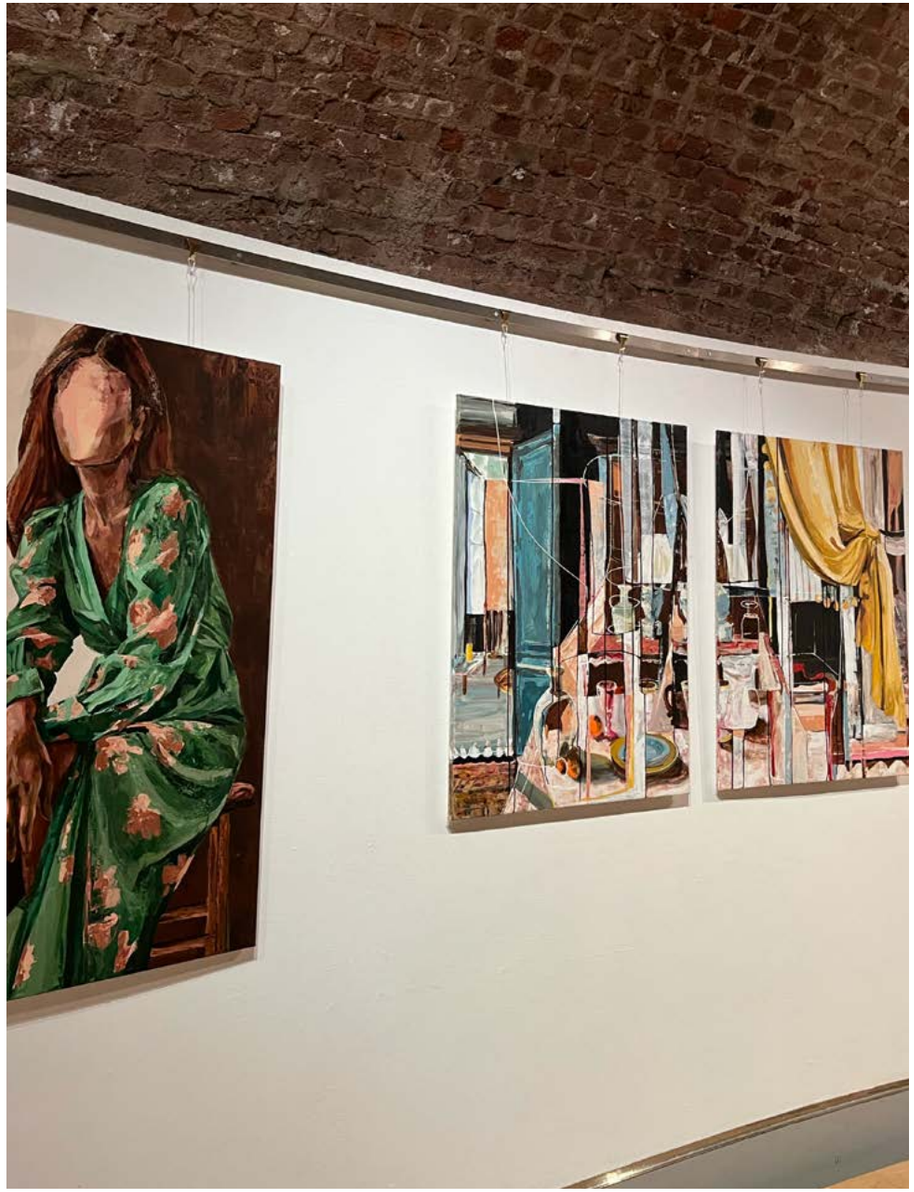


ARTS AT THE HOUSE

We continue to develop an arts programme throughout the House, with more than 80 different arts events taking place in 2024/25, displaying 200+ pieces of artwork, the majority of which are from Fellows.

Highlights include our support for **Westminster City Lions** and its Creative Collective, which showcases young artists from across the borough. We also launched a travelling 'Artist in Residence' collection in partnership with **Degree Art,** based in the RSA Vaults. The exhibition supports emerging artists who showcase at the Affordable Arts Fair, British Arts Fair, Saatchi Summer Show and then the RSA.

Meanwhile, our ticketed events programme has been more ambitious than ever. In partnership with a range of organisations, including **Fire and Alchemy** and **Sofar Sounds,** we hosted 80+ events. Throughout the summer of 2024, we arranged a series of free public screenings of major global sporting events, including **Euro 2024,** the **Wimbledon Championships,** and the **Paris 2024 Olympics and Paralympics.**







100,000+

visitors from 2024-25

Our People



AT the heart of our impact is a team of dedicated, diverse and driven individuals. Their passion, expertise and unwavering commitment fuel our mission and shape our success. Whether innovating behind the scenes or delivering frontline solutions, our people are not just part of the story – they are the reason for our progress.

As of 31 March 2025, we employed 96 people. We continue to invest in their growth and wellbeing, knowing that when our people thrive, our impact multiplies. Reflecting our values and Design for Life mission, we are inclusive, and we passionately believe in equity and empowering people to achieve their potential. We also believe in working more together than apart, and that great collaboration will lead to great innovation and outcomes.

A staff diversity and pay equity analysis conducted in December 2024 reaffirmed our status as an 'exemplar employer' as stated in an independent report by WorkNest in 2023. Compared to national benchmarks, we continue to lead in gender equity, disability inclusion, and LGBT+ representation. Our team is 83% women, with equal representation in senior leadership; 21% are from minority ethnic backgrounds; 16% are part of the LGBTQ+ community; and 12% say they are disabled (from 83% of staff who disclosed data). Moreover, 21% of our staff benefit from flexible working arrangements and 11% work part time.

Our commitment to fair pay is reflected in the 3% across the board pay award awarded this year, aligned with sector benchmarks, alongside our longstanding and ongoing commitment to being a London Living Wage employer. We continue to pay a minimum salary of £26,265 per annum – well above both the National Living Wage and the London Living Wage, ensuring our people are fairly rewarded for their work.

Staff engagement remains a priority, and our Gallup Q12 survey (in October 2024) showed a meaningful uplift in engagement, with a 92% participation rate and strong scores in areas such as trust, fairness and belonging. Notably, 86% of employees agree that their colleagues are committed to high-quality work, and 78% feel people are treated fairly regardless of background.

In 2024/25, 8% of staff were promoted or formally recognised for taking on greater responsibilities, while over 60% participated in formal training programmes spanning management, digital skills and inclusive practices.

In July 2024, we launched a work experience programme for students from low socio-economic backgrounds, opening doors to professional growth and helping build a more inclusive pipeline of future changemakers.

Through these efforts and more, the RSA continues to foster a thriving, diverse workplace where people are supported to grow, lead, and create lasting impact for themselves, each other, and society at large.

As of December 2024, our staff demographics and pay and benefits demonstrate:

21%

OF OUR PEOPLE ENJOY A FLEXIBLE WORKING PATTERN

21%

OF OUR TEAM ARE FROM MINORITY ETHNIC BACKGROUNDS

16%

OF OUR TEAM ARE FROM THE LGBTQ+ COMMUNITY

83%

OF OUR TEAM ARE WOMEN

Environmental Reporting



OUR energy consumption is calculated using the 2024 Government Greenhouse Gas Conversion Factors for carbon dioxide equivalent emissions (see table opposite). This year the Department for Energy Security and Net Zero revised various emission factors, including for waste products, slightly affecting our data.

Last year was the first following the pandemic that we could fully measure our consumption from occupancy in RSA House and with the hospitality and events business being in full flow. Staff hybrid working continues to show greatest occupancy in mid-week and this is also the case with hospitality and event bookings. We were able to host an 18% increase in the number of events through this year compared to last year, and this is reflected in the increase in utilities used throughout the year.

TRAVEL

Short-haul flights showed a slight increase, in part due to greater collaborative work with regional bodies around the UK and in Europe. Long-haul flights were solely to meet Fellows and present the Benjamin Franklin Medal. Land travel (road and rail) decreased due to the increased use of virtual meeting technology.

ENERGY AND RECYCLING

Our electricity continues to be supplied by renewable sources, and consumption showed a minimal rise. Natural gas consumption (for heating) rose by 25%, due in part to greater attendance in our offices and building, and extended event opening hours. We continue to actively manage all utilities throughout the building.

Water shows an increase of 18% and is broadly consistent with the increase in the number of events run this year.

We are committed to upgrading our infrastructure at RSA House, and to invest in energy-saving technologies and systems when we do so. A major upgrade to our electrical supply will result in better managed consumption. Rejuvenating some of our meeting-room furniture, in particular, saved approximately 2 tonnes of carbon dioxide equivalent gas, and proves that our commitment to recycling our own products remains a priority.

		2024-25	2024-25	2023-24	2023-24
Category	**Emission Source**	**Consumption**	**tCO_2e***	**Consumption**	**tCO_2e***
Utilities	Natural Gas (m3)	40,139.00	82.10	31,876.00	64.98
	Electricity (kWh)	537,314.00	0.00	518,849.00	0.00
	Water - Supplied (m3)	2,674.67	0.41	2,266.58	0.40
	Water - Waste (m3)	2,540.94	0.47	2,153.25	0.43
Waste	of which, Recycled Materials (tonnes)	3.02	0.02	3.05	0.06
	of which, Energy from Waste (tonnes)	3.05	0.02	3.19	0.07
Travel	Flights - Short Haul (UK & Europe) (km)	21,130.63	3.93	19,159.19	3.56
	Flights - Long Haul (Rest of the World) (km)	33,516.11	8.76	0.00	0.00
	Trains (km)	90,895.52	3.22	117,563.90	4.17
	Road Journeys (km)	10,943.51	1.84	11,215.49	1.87
Total			**100.77**		**75.55**

*tCO_2e stands for tonnes of carbon dioxide equivalent. The carbon dioxide statistics in the table are unaudited.

Rejuvenating some of our furniture has saved approximately 2 tonnes of carbon dioxide equivalent gas.

Thank You to our Partners



TO RSA FUNDERS AND PARTNERS 2024-25

A very special thank you to all those who have funded or partnered with us in 2024-25.

Our partners are a vital part of the RSA's community. Their strategic and financial support is crucial to the RSA's ability to create impact through our Design for Life mission across our programmes.

Corporate partners
Arup
Bond & Coyne
BT
Google DeepMind
Institute & Faculty of Actuaries
Mastercard Center for Inclusive Growth
Meta
Natracare
Network Rail
Royal Botanic Gardens, Kew
Skin Health Alliance

Trusts, foundations and grant makers
Comino Foundation
Esmée Fairbairn Foundation
JJ Trust
Land Trust
Life Calling
Marketing Trust
National Lottery
Nuffield
Porticus
Rayne Foundation
Treebeard
Ufi VocTech Trust

Local authorities
East Midlands County Combined Authority
Newcastle City Council
North East Combined Authority
Thames Freeport

Statutory and other organisations
Anthropy
Arts Council England
Bath Spa University
Coventry University
Creative Industries Policy and Evidence Centre
Eden Project
RMIT

Financial Review 2024/25



OVERVIEW

For the financial year 2024/25, we report a deficit of £1.0m (2023/24: £0.7m deficit) before accounting for investment loss of £0.8m (2023/24: £1.9m gain). Revenue proved testing on most fronts with Fellowship, programmatic work and hospitality business short of last year's performance. General reserves, however, remain robust at £8.3m and within the range set by the Board.

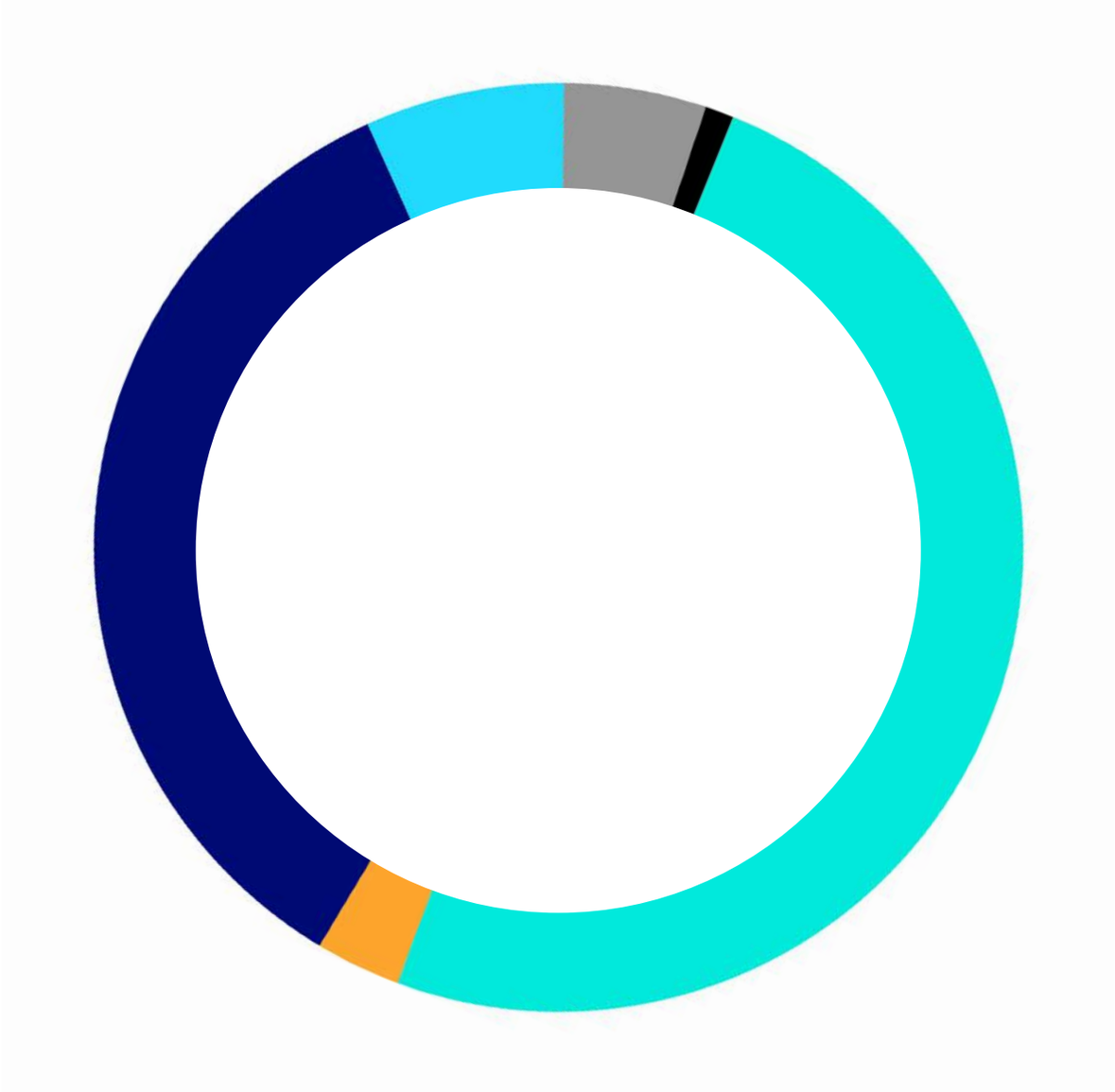
In response to the 2024/25 performance, the RSA has focused planning on strengthening revenue generation, reducing costs where appropriate, and actively mitigating risks across the organisation. The Board continues to monitor performance closely, working with the executive team to ensure financial sustainability while preserving our ability to invest in mission-critical work. Strategic decisions around project selection, commercial activities, and operational efficiencies will be central to this effort.

Income

Total income remained largely unchanged at £12.6m.

- Fellowship donations decreased by 1.3% to £6.3m.
- Trading activities, hospitality and consultancy, increased by 4.4% to £4.4m.
- Programme of projects income decreased by £0.3m to £0.9m
- Gifts in Kind increased by £0.2m to £0.3m.

Income Source	2024/25 (£'000)	% of total income
Fellowship donations	6,349	50.2%
Other donations & legacies	330	2.6%
Trading activities	4,395	34.8%
Programme of projects	882	7.0%
Investment income	642	5.1%
All other income	36	0.3%
Total	**12,634**	**100%**



EXPENDITURE

Total expenditure increased from £13.2m in 2023/24 to £13.7m, driven mainly by the growth in Fellowship activities.

Staff costs constituted 41.5% of the total expenditure, amounting to £5.7m (2024: £5.3m), with an average full-time equivalent headcount of 101 employees (2024: 100). Further details on staff distribution can be found in Note 4 of the Financial Statements.



Expenditure	2024/25 (£'000)	% of total expenditure
Fellowship administration	1,550	11.4%
Trading activities	3,966	29.0%
Programme of projects	3,793	27.8%
Programme of engagement	4,341	31.8%
Total	**13,650**	**100%**

INVESTMENTS AND INVESTMENT POLICY

In 2024/25, our funds were invested in the COIF Ethical Charities Investment Fund. This actively managed portfolio includes equities, property, bonds, and other asset classes, and aims to safeguard the value of assets against inflation.

During the year, the investment portfolio recorded a loss of £0.8m, all of which occurred in the final quarter. Investment income remained steady at £0.6m, consistent with the previous year. To support operational needs, £1.25m of investments were liquidated during the year.

In the second half of the year, we undertook an investment review, a rigorous process led by external investment consultants Barnett Waddingham. In addition to considering cost, the review identified a number of key principles. These included the target rate of return, prioritising asset allocation over stock selection, the avoidance of a single active manager, wherever possible, and ensuring managers integrate ESG.

Following the review, the decision was made to move the portfolio from the **COIF Ethical Charities Investment Fund** to a 50/50 combination of the **LGIM Future World ESG Multi-Index 6 Fund** and the **M&G Sustainable Total Return Credit Fund.**

The **LGIM Future World ESG Developed Index Fund** invests in companies across developed markets that show strong environmental, social, and governance (ESG) standards. It excludes companies involved in tobacco, armaments, pure coal mining, and those that repeatedly breach the UN Global Compact. Following an index-tracking approach, the fund also integrates Legal & General's Climate Impact Pledge, engaging with companies to encourage progress toward the Paris Agreement's climate goals.

The **M&G Sustainable Total Return Credit Investment Fund (STRCI)** is an actively managed fixed income fund. The fund combines M&G's long-standing expertise in multi-asset credit investing with an environmental, social, and governance (ESG) framework. It excludes issuers that violate the United Nations Global Compact principles or are involved in harmful activities such as fossil fuel extraction, tobacco production, or controversial weapons manufacturing. Additionally, the fund avoids sovereign bonds from countries classified as "Not Free" by the Freedom House index.

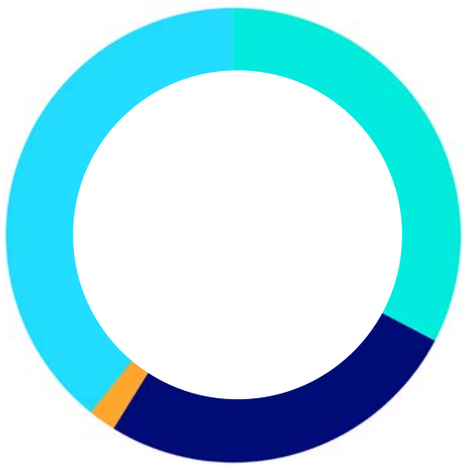
This movement of funds was implemented after the close of the 2024/25 financial year.

RESERVES

The RSA has total reserves of £31.0m (2023: £32.9m). See page 53 for details of the RSA's reserves policy.

Reserves include:

- **Endowment funds** of £12.1m (2024: £12.4m) which are invested in the CCLA Ethical Investment Fund.
- **Restricted reserves** of £0.6m (2024: £0.6m). Of this, £0.1m relates to restricted project funds and the balance to historical donations. See Note 11 of the financial statements for further information on the restrictions.
- **Unrestricted funds** of £18.3m (2024: £19.8m). Of this:
  - £9.8m relates to fixed assets (see Note 7).
  - £8.3m (2024: £9.7m) is general reserves.



Reserves	(£'000)
Designated	9,944
General	8,307
Restricted	652
Endowment	12,094

GRANT-MAKING POLICY

The RSA accomplishes its charitable objectives through various means, including the provision of grants, non-financial assistance, and research initiatives. The type of support offered is tailored to each programme's nature and goals.

Rather than adhering to a predetermined allocation of the annual budget for grant expenditure, the RSA focuses on identifying the desired impact and the most suitable method of delivery.

When grants are deemed the most appropriate funding mechanism, the RSA establishes specific criteria for each grant. These criteria vary and are made accessible on the RSA's website during open calls for applications.

Subsequently, applications are evaluated against these criteria, and awards are granted based on the following factors:

- Available funds.
- Ability to achieve the programme's objectives.
- Quality of the applications received.

The duration of grant awards depends on the specific programme but typically spans less than one year. Grants undergo regular monitoring, and recipients are required to provide progress reports as appropriate. Please refer to Note 5 in the financial statements for detailed information regarding approved and payable grants during the year.

FUNDRAISING DISCLOSURE

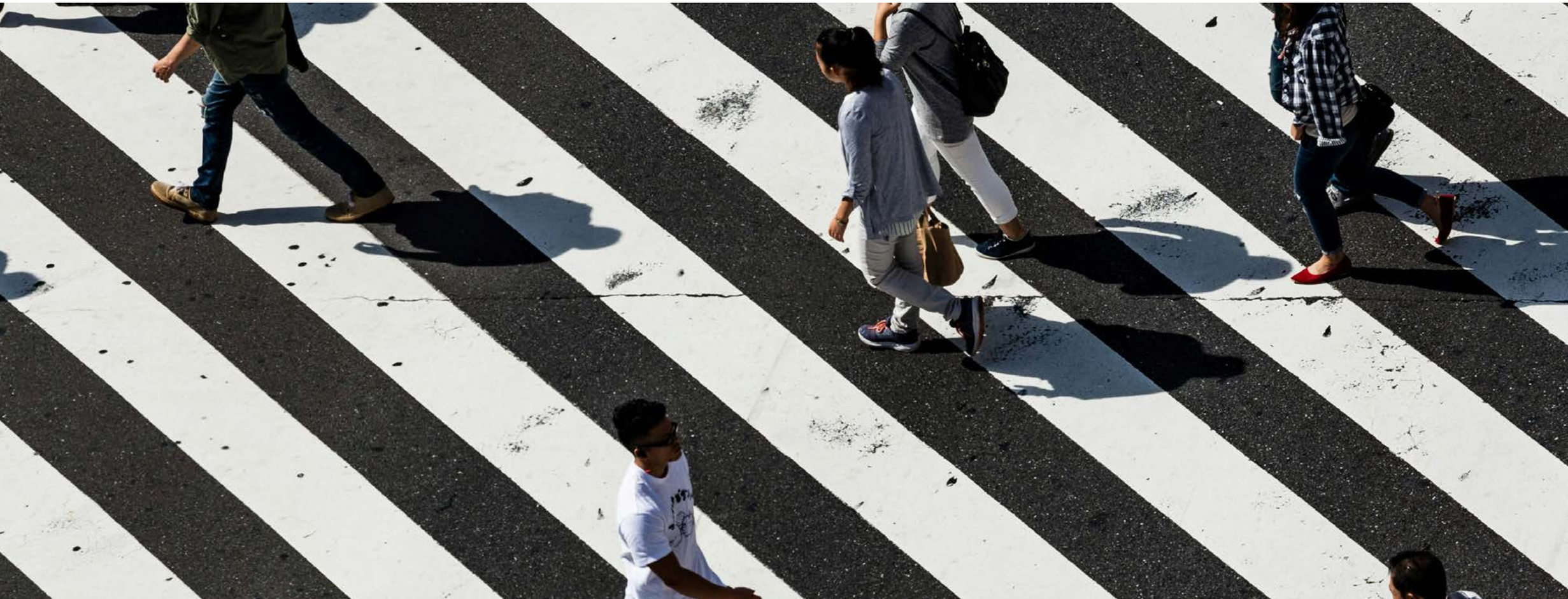
The RSA approaches fundraising through the lens of broadening and growing its Fellowship. Fellowship of the RSA is a charitable subscription which generates unrestricted income for the RSA's charitable purposes. Recruitment of new Fellows is through nomination; this is either by staff, existing Fellows or researched invitation.

The RSA does not work with professional fundraisers in relation to personal fundraising but does build relationships with other networks and membership bodies to invite nominees. The RSA will on occasion run fundraising campaigns with its Fellows to support pieces of work or projects.

Professional fundraisers are only used in making grant applications that are outside of its expertise.

The RSA monitors fundraising compliance through its own internal processes; all third parties working with the RSA are required to sign and indemnify the RSA through a data sharing agreement where data is shared. It is the RSA's policy not to share the data of its Fellows without consent, except where necessary, for example with its mailing house to enable Fellows to receive copies of the Journal or governance mailings, such as for the renewal of subscriptions or voting as part of the annual AGM. No fundraising complaints were received in the year.

Objectives, Risks, Governance and Management



OUR CHARITABLE OBJECTIVES

The RSA was founded in 1754 as the Society for the Encouragement of Arts, Manufacture and Commerce, it was granted a Royal Charter in 1847, and the right to use the term Royal in its name by King Edward VII in 1908. The Royal Charter company was registered as a charity in England and Wales in 1963 (212424) and is also registered in Scotland (SC037784). The RSA's charitable objects are defined within its Royal Charter as:

"The encouragement of the arts, manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts, manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes..."

TRUSTEE BOARD

The Board of Trustees is the governing body of the RSA and comprises up to 14 members, of which up to five Fellows are appointed to the Board by Trustees; up to five Fellows are directly elected by the Fellowship; up to two Fellows are directly elected by the Fellowship Council, with at least one representative from among their elected members; and up to two Fellows are elected by the Fellowship from an international chapter (RSA US and/or RSA Oceania). Trustees are elected or appointed for a three-year term and may serve a second three-year term, save for Fellowship Council Trustees, who serve for the currency of the Fellowship Council, which is two years.

The Board met formally six times during 2024–25 and attended their additional annual away day. Day-to-day management of the RSA is delegated to the Senior Leadership Team by the Trustees. The Senior Leadership Team attends all Trustee Board meetings.

The Board has established three permanent committees, each with specific terms of reference and functions that are delegated by the Board, and with a Board-appointed Trustee serving as chair: Audit and Risk (which has three independent members), Nominations and Governance (which includes three members from the Fellowship Council) and People and Remuneration. At least one representative of the Senior Leadership Team attends all committee meetings. The RSA's external auditors attend one meeting a year of the Audit and Risk Committee.

The Trustee Board appoints the directors of the RSA's two trading subsidiaries, RSA Adelphi Enterprises Ltd, which has one external non-executive director, and RSA Shipley Enterprises Ltd. The directors of the two trading subsidiaries meet as necessary. The Trustee Board also monitors the trading subsidiaries' performance. All Trustees and directors receive a tailored induction programme upon joining the RSA and are regularly updated on relevant issues through the Board and committee structures. The Charity Governance Code, as refreshed in December 2020, is incorporated into the RSA Trustee induction and programme and all Trustees agree to abide by its principles.

FELLOWSHIP REPRESENTATION

An important part of the governance of the RSA's relationship with its Fellows is the Fellowship Council. Over the last year, the Fellowship Council has comprised 22 elected and seven co-opted Fellows.

The Fellowship Council elects two representatives to the Board of Trustees, with the terms of reference requiring that at least one of them be either the Chair or Deputy Chair of the Council. In 2024, following the resignations of Tony Sheehan (Chair) and Claire Doran (Trustee Representative) for professional reasons, Neil Beagrie was elected as Chair of the Fellowship Council, and Eva Pascoe was elected as the second Trustee representative.

Programme Councillors	Nicola Millson – Companies for Change Shelagh Lee – Early Years for Change Gill Wildman – Entrepreneurs for Change Jay Amin – Places for Change Seth Bolderow – Pupils for change Elena Papadaki – Students for Change Benedikt Signer – Systems for Change
Global	Vanessa Barros Francesca Bernardi
US	Lira Luis Maria Santiago
Oceania	Lynn Wood Asmaa Guedira (since October 2024) Kim Shore (until June 2024)
Central	Julie Samuels (since June 2024) Jackie Norton Matthias Hillner (until April 2024)
South East	Ann Longley Jordan Meade (since June 2024 until April 2025)
South West	Neil Beagrie Robin Tatam
London	Eva Pascoe Sarah Beeching
North	Angela Carradus (since October 2024) Paul Ingram (until December 2024) Hellen Giblin-Jowett (until July 2024)
Ireland	Michael Dunlop (since June 2024) Niall Shanley (since October 2024) Robert Worrall (until March 2025)
Wales	Damian Joseph Bridgeman Anna Nicholl
Scotland	Ann Packard Eric Carlin (since October 2024) Nairn McDonald (until September 2024)

PRINCIPAL RISKS AND UNCERTAINTIES

The RSA is dedicated to maintaining a robust and comprehensive system of risk management, control, and corporate governance. The risk management policy serves as a formal acknowledgement of the Trustee Board's commitment to establishing a strong risk management framework. The policy aims to ensure that the charity proactively manages risks by maximising opportunities and minimising adverse effects.

The policy's objectives are as follows:

- Confirm and communicate the RSA's commitment to risk management.
- Establish a consistent framework and protocol for determining risk appetite and tolerance, as well as managing risks.
- Assign accountability to management and staff for risks within their control and provide a structured process for risk consideration, reporting, and action throughout the organisation.

The policy is guided by the following principles:

- Risk management should be a straightforward process that does not require specialised training or knowledge.
- Risk management should be integrated into day-to-day business operations rather than being a standalone activity.

The risks include challenges in achieving social impact with Design for Life, not meeting income targets for Design for Life, poor Fellowship retention, underperforming hospitality at RSA Adelphi Enterprises Ltd, IT system vulnerabilities and data breaches.

Management regularly review Design for Life interventions to ensure alignment of both programmes and fundraising. In terms of Fellowship, we continue to invest in technology to improve engagement. In 2025 the RSA also achieved Cyber Essentials Plus certification.

Trading subsidiary risks are monitored through the respective boards and generally covered by the group risk management policy and statement as well as a separate risks schedule for RSA Adelphi Enterprises Ltd.

The primary risk for RSA Shipley Enterprises Ltd is the need to control its costs and ensure all projects run profitably; this is achieved through project forecasting and time recording to ensure each project makes a profitable contribution.

Day-to-day management of the RSA is delegated by the board to the leadership team.

REMUNERATION POLICY

The RSA operates a broad-banded salary structure for all roles, including leadership level roles, based on the Croner job evaluation and salary benchmarking tool. Pay levels are based upon sector and skills market rates to enable the attraction of high-quality talent.

The annual pay settlement is based upon affordability, trends in reward and market pay, and the inflationary environment. The annual pay review for all staff is recommended to the RSA People and Remuneration Committee by the RSA Senior Leadership Team, and then ultimately approved by the RSA Board of Trustees as part of the annual budget.

KEY MANAGEMENT TEAM

The Trustees consider that the Senior Leadership Team, as identified on the inside front cover, comprises the key management personnel. Any pay review for the Senior Leadership Team, including that of the Chief Executive Officer, is recommended for sign-off by the People and Remuneration Committee to the RSA Board of Trustees as part of the annual budget process.

STATEMENT OF PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty laid out in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the commission in determining the activities undertaken by the society. The RSA's objectives, as laid down in our Royal Charter, are set out on page 39.

This Impact Report describes the benefits of the RSA's activities which relate directly to the RSA's aims and objectives:

- The extensive lectures programme is available to the public free of charge, both through in-person attendance and by accessing RSA content through the website in various formats.
- The results of the RSA's research are wide-ranging and are disseminated free of charge to all interested parties.
- The RSA's 'hands-on' projects, such as those focused on building prosperous communities and nurturing social connections, have direct charitable benefit.
- Innovation and creativity are encouraged through the RSA Spark programme
- The RSA Fellowship is diverse, engaged and influential, and its work, which is given voluntarily, contributes to the capacity of the society to pursue its charitable objects.

The Trustees review the activities of the RSA against its aims on an ongoing basis and are satisfied that all activities continue to be related to those aims. No specific issues of detriment or harm have been identified. Ultimately, wider society will benefit from the charity's activities, and this is in keeping with the spirit of the RSA Charter.

The RSA operates throughout the whole of the United Kingdom, through the website, and through approximately 31,000 Fellows around the world. It has affiliate non-profit organisations in Australia (RSA Oceania) and the United States (RSA US). Benefits are not confined to any group and the wider benefits of the RSA's activities are intended to include the public.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The law applicable to charities in England, Wales, and Scotland requires Trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its position at the year's end. In preparing these financial statements, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the charity's SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The charity's Trustees are responsible for keeping accounting records in respect of the charity, which are enough to show and explain all the charity's transactions, and which are such as to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to ensure the accounts comply with the Charities Act 2011. The Trustees are responsible for safeguarding the assets of the charity, and hence for taking reasonable steps towards the prevention and detection of fraud and other irregularities. By order of the Board of Trustees.

Sir Loyd Grossman
Chair of Trustees
6 August 2025



Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RSA (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES, AND COMMERCE)

OPINION

We have audited the financial statements of the RSA (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 state of the group's and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- The charity has not kept adequate accounting records; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we required for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 43, Trustees 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Section 144 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 group and charity's internal control.

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

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

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements

represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit report.

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

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council

- We obtained an understanding of how the charity 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 charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's Trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6 August 2025
9 Appold St
London
EC21 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Financial Statements 2024/25



GROUP STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Notes	General Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2025 Total £'000	2024 Total £'000
Income and endowments from:							
Donations and legacies							
Fellowship donations		6,349	-	-	-	**6,349**	6,435
Other donations and legacies		330	-	-	-	**330**	69
Trading activities		4,395	-	-	-	**4,395**	4,206
Investment income		611	-	31	-	**642**	640
Charitable activities							
Programme of projects		358	-	524	-	**882**	1,125
Programme of engagement		3	-	-	-	**3**	9
Other income		33	-	-	-	**33**	35
Total income	2	**12,079**	**-**	**555**	**-**	**12,634**	**12,519**
Expenditure on:							
Raising funds							
Fellowship administration		1,468	80	2	-	**1,550**	1,440
Trading activities		3,938	28	-	-	**3,966**	4,038
Charitable activities							
Programme of projects		2,906	372	515	-	**3,793**	3,769
Programme of engagement		3,881	454	6	-	**4,341**	3,999
Total expenditure	3	**12,193**	**934**	**523**	**-**	**13,650**	**13,246**
Net income/(expenditure) before net gains/(losses) on investments		**(114)**	**(934)**	**32**	-	**(1,016)**	**(727)**
Net gains/(losses) on investments	8	(298)	-	(20)	(526)	**(844)**	**1,899**
Net income/(expenditure)		**(412)**	**(934)**	**12**	**(526)**	**(1,860)**	**1,172**
Transfers between funds	11	(1,006)	814	-	192	-	-
Net movement of funds		**(1,418)**	**(120)**	**12**	**(334)**	**(1,860)**	**1,172**
Reconciliation of funds							
Total funds brought forward		**9,725**	**10,064**	**640**	**12,428**	**32,857**	**31,685**
Total funds carried forward		**8,307**	**9,944**	**652**	**12,094**	**30,997**	**32,857**

All incoming and outgoing resources derive from continuing operations. The Group has no gains and losses other than those recognised in this Statement of Financial Activities.

GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	2025 £'000	2024 £'000
Reconciliation of net cash provided by/(used in) operating activities		
Net outgoing resources for the year before net gains/ (losses) on investments	(1,016)	(727)
Interest received and income from investments	(642)	(640)
Depreciation	634	634
Amortisation	214	274
Decrease in debtors	(451)	153
Decrease/(Increase) in stock	(10)	6
Decrease in creditors	361	(104)
Net cash provided by/(used in) operating activities	**(910)**	**(404)**
Cash flows from investing activities		
Dividend, interest and rents from investments	642	640
Proceeds from sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(814)	(254)
Proceeds from sale of investments	1,250	-
Purchase of investments	-	-
Net cash provided by/ (used in) investing activities	**1,078**	**386**
Change in cash and cash equivalents in the reporting period	**168**	**(18)**
Cash and cash equivalents at the beginning of the reporting period	2,385	2,403
Cash and cash equivalents at the end of the reporting period	**2,553**	**2,385**

GROUP AND CHARITY BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group 2025 £'000	Group 2024 £'000	RSA 2025 £'000	RSA 2024 £'000
Fixed assets					
Intangible assets	7	347	316	347	316
Tangible fixed assets	7	9,463	9,528	9,463	9,528
Investments	8	19,116	21,210	19,116	21,210
		28,926	31,054	28,926	31,054
Current assets					
Stocks		28	18	-	-
Debtors	9	1,351	900	1,088	758
Short term deposits and cash at bank		2,553	2,385	1,701	1,533
		3,932	3,303	2,789	2,291
Creditors: amounts falling due within one year	10	(1,840)	(1,483)	(1,087)	(766)
Net current assets		2,092	1,820	1,702	1,525
Total assets less current liabilities		31,018	32,874	30,628	32,579
Creditors: amounts falling due after more than one year	10	(21)	(17)	-	-
Total assets less liabilities		30,997	32,857	30,628	32,579
Unrestricted funds - charity		17,882	19,511	17,882	19,511
Unrestricted funds - trading subsidiaries		369	278		-
Restricted funds		652	640	652	640
Endowment funds		12,094	12,428	12,094	12,428
Total funds	11	30,997	32,857	30,628	32,579

The Financial Statements were approved by the Board of Trustees on 6 August 2025 and were signed on its behalf by:

Sir Loyd Grossman
Chair of Trustees



The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value as stated in the relevant note(s) to these accounts. 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 thousand pounds. The charity constitutes a public benefit entity as defined by FRS 102.

The group financial statements comprise those of the RSA and its wholly owned subsidiaries, RSA Adelphi Enterprises Limited and RSA Shipley Enterprises Limited. The results of the subsidiaries are consolidated on a line-by-line basis.
The RSA has an affiliation agreement with the Fellows of the RSA in the United States, a separate corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania. As per the bylaws of the Fellows of the RSA in the US, RSA appoints half of the members of the Board of Trustees as well as the Chair of the Board and therefore holds control in the organisation's governance structure. This US entity is not consolidated on a line-by-line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with RSA Australia and New Zealand (RSA ANZ) headquartered in Australia, a separate corporation established for charitable purposes under the laws of the Commonwealth of Australia. As per the articles of incorporation of RSA ANZ, RSA appoints half of the members of the Board of Trustees as well as the Chair of the Board and therefore holds control in the organisation's governance structure. RSA ANZ is not consolidated on a line-by-line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

Going concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the group will continue in operational existence for the foreseeable future and are not aware of any material uncertainties which may cause doubt on the group's ability to continue as a going concern.

Income and endowments

Donations, including Fellowship subscriptions, are accounted for on a cash basis. All grants are accounted for when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity or a time-related condition are recognised when the charity becomes unconditionally entitled to the grant. Trading and all other incoming resources are accounted for on an accruals basis, with income relating to specific periods apportioned over the accounting periods to which it relates. Restricted income is used in accordance with specific restrictions imposed by donors.

Expenditure

Expenditure is charged on an accruals basis, inclusive of irrecoverable VAT. Expenditure incurred on support departments is apportioned to the activity area based on the appropriate driver, such as full-time equivalent (FTE) or floor space.

Operating leases

Lease expenses are recognised as "operating leases" relating to capital equipment that the RSA does not own. The annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

Intangible assets and amortisation

Intangible assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Amortisation is calculated on the cost of the intangible assets on a straight-line basis over the expected useful life of 3-5 years.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Tangible fixed assets are stated at cost with the exception of certain pictures, books, and antiques which are stated at a notional value adopted

in earlier years and are not depreciable. These items are not considered heritage assets as defined in FRS 102.

Depreciation is calculated on the cost of the fixed assets on a straight-line basis over the following expected useful lives:

Freehold premises
200 years from 1978

Building improvements
Between 10 and 40 years

Furniture and fittings
Between 3 and 5 years

Investments
Investment assets are included in the balance sheet at market value. Unrealised gains and losses on revaluation and realised gains and losses on disposal are taken to the Statement of Financial Activities and dealt with in the relevant fund.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cash and cash equivalents
Cash and cash equivalents include unrestricted and restricted deposits held at call with banks.

Financial instruments
The company 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.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets
Basic financial assets, which include trade and other debtors and cash and bank balances, are recognised as current assets due to be realised within one year or less. As such it is not necessary to amortise these assets.

Basic financial liabilities
Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised as current liabilities and as such it is not necessary to amortise these liabilities.

Funds
Unrestricted funds may be spent in accordance with the RSA's charitable objects at the discretion of the Trustees. A designated fixed asset reserve has been created to highlight the value of unrestricted funds tied up in freehold premises and building improvements. A designated legacy reserve has been created to identify legacy receipts where there is an expectation to honour the non-binding wishes of the legator in the way that we spend the monies received.

Restricted funds arise from specific grants for individual projects, appeal receipts for specific purposes, and income derived from endowment funds which must be used for restricted charitable purposes.

The capital of the James Cranstoun Bequest and Angus Millar Trust endowment funds are required to be retained in perpetuity, while the income must be used for restricted charitable purposes. The capital of the Shipley Endowment Fund may be used in specific limited circumstances, while the income must be used for charitable purposes. The capital elements of all endowment funds accrue investment gains and losses.

Judgements and key sources of estimation uncertainty
In the application of the group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period

of the revision and future periods where the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue from performance-related grants and contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract. This is estimated using a combination of the milestones in the agreement and the time spent to date compared to the total time expected to be required to undertake the agreement. Estimates of the total time required to undertake the agreement are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date, and client decision-making. See notes 9 and 10 for disclosure of the amount by which revenue exceeds progress billing (accrued income) or billing exceeds revenue (deferred income).

Reserves policy
Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds.

The policy focuses purely on the general reserves. General reserves are defined as that portion of unrestricted funds remaining once the Trustees have set aside any amounts required as designated funds.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- A temporary loss of income
- A permanent fall in income, allowing time to adjust our cost base or business model
- Incurring one-off costs that are not covered from donor funds.

Whilst we seek to run a balanced operational budget, general reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals as well as fund working capital.

Based on our current assessment of principal risks, the RSA Board of Trustees estimates that our target general reserves range should be between £8m and £10m. This equates to around six to eight months of future expenditure.

Our closing general reserves on 31 March 2025 of £8.3m are within this range.

While the charity has incurred both operational and investment losses, the Trustees are monitoring developments closely and remain vigilant in identifying and pursuing opportunities to mitigate the impact of these challenges.

They continue to review financial performance and risks regularly to ensure the charity's resilience and sustainability.

During 2024 a very comprehensive building survey was carried out, which did not identify any critical issues. However, a programme of works has been recommended and will be undertaken over the next five years or so.

The overall assessment also acknowledges, as per note 11c of the Financial Statements, the obligation to repay the remaining balance of a loan from the Shipley Expendable Endowment fund by March 2033 (£1.5m on 31 March 2025).

Our general reserves are in the main matched by investments and bank deposits (see note 11(d)).

In 2024/25, we conducted a formal review of our investment arrangements. The outcome was a decision to transfer our portfolio investments from the COIF Ethical Charities Investment Fund to a 50/50 allocation between the LGIM Future World ESG Multi-Index 6 Fund and the M&G Sustainable Total Return Credit Fund.

The reserves policy is reviewed annually.

Pension Costs
For Group Personal Pension schemes the amount charged to the Group Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either creditors or debtors in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. Income and endowments

Split of income 2025	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2025 Total £'000
Fellowship	6,349	-	-	-	-	-	6,349
Donations & legacies (individuals)	330	-	-	-	-	-	330
Commercial organisations	-	-	-	272	-	33	305
Charitable trusts & foundations	-	-	-	525	-	-	525
Public sector bodies	-	-	-	85	-	-	85
Trading activities	-	4,395	-	-	-	-	4,395
Fees income	-	-	-	-	3	-	3
Dividends, interest & rent income	-	-	642	-	-	-	642
	6,679	**4,395**	**642**	**882**	**3**	**33**	**12,634**

2024	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2024 Total £'000
Fellowship	6,435	-	-	-	-	-	6,435
Donations & legacies (individuals)	69	-	-	-	-	-	69
Commercial organisations	-	-	-	473	-	35	508
Charitable trusts & foundations	-	-	-	258	-	-	258
Public sector bodies	-	-	-	384	-	-	384
Trading activities	-	4,206	-	-	-	-	4,206
Fees income	-	-	-	10	9	-	19
Dividends, interest & rent income	-	-	640	-	-	-	640
	6,504	**4,206**	**640**	**1,125**	**9**	**35**	**12,519**

Donations and legacies income includes Fellowship income, unrestricted donations, legacies and gifts-in-kind

Income from other trading activities comprises the income generated through the trading subsidiaries, RSA Adelphi Enterprises Ltd and RSA Shipley Enterprises Ltd.
From RSA Adelphi Enterprises Ltd., for the hire of conference rooms and the provision of catering services, £3,904k (2024: £4,012k).
From RSA Shipley Enterprises Ltd., for the provision of consultancy services, £491k (2024: £193k).

Programme of projects and programme of engagements comprise all funding received towards supporting charitable activities.
Other income comprises fee and advertising income generated by the Journal and events.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. Expenditure

Expenditure on 2025	Direct costs £'000	Apportioned support £'000	2025 Total £000
Expenditure on:			
Raising funds			
Fellowship administration	1,262	288	1,550
Trading activities	3,468	498	3,966
Charitable activities			-
Programme of projects	2,767	1,026	3,793
Programme of engagement	2,811	1,530	4,341
Total expenditure	**10,308**	**3,342**	**13,650**

Expenditure on 2024	Direct costs £'000	Apportioned support £'000	2024 Total £000
Expenditure on:			
Raising funds			
Fellowship administration	1,054	386	1,440
Trading activities	3,349	689	4,038
Charitable activities			-
Programme of projects	2,717	1,052	3,769
Programme of engagement	2,571	1,428	3,999
Total expenditure	**9,691**	**3,555**	**13,246**

Direct costs are allocated to categories of activity as follows:

Expenditure on raising funds comprises the cost of recruiting to and administering our Fellowship and unrestricted fundraising.

Trading activities comprises the costs associated with the hire of conference rooms, the provision of catering services and with the provision of consultancy services.

Programmes of projects comprises the costs of performing these charitable activities.

Programme of engagement comprises the costs of other charitable activities including those of the Journal, library, Fellowship networks and the costs incurred for activities within the areas and nations.

The external audit fee was £48k (2024: £46k). Fees paid to the auditors for non-audit services were £10k (2023: £9k).

Where expenditure cannot be directly allocated it represents support costs (see Analysis of Apportioned Support Costs below) and is apportioned on a basis consistent with the use of resources, for example the number of full-time equivalent staff or floor space. Costs relating to external communications have been included in the direct costs of the activities which they support.

Total expenditure excludes the value of work contributed by Fellows to the activities of the RSA.

Analysis of Apportioned Support Costs

2025	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	Total £'000
Digital & Marketing	12	2	43	69	126
Establishment	37	460	129	95	721
Executive managemen	65	9	232	371	677
Finance	41	6	147	235	429
Human resources	66	9	235	376	686
Information technolog	56	8	200	320	584
Governance	11	2	41	65	119
Total	**288**	**496**	**1,027**	**1,531**	**3,342**

2024	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	Total £'000
Digital & Marketing	13	2	33	50	98
Establishment	51	639	178	131	999
Executive managemen	79	12	206	306	603
Finance	46	7	120	178	351
Human resources	102	15	266	392	775
Information technolog	77	11	201	299	588
Governance	18	3	48	72	141
Total	**386**	**689**	**1,052**	**1,428**	**3,555**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4. Trustee and staff costs

Trustees

Members of the Trustee Board and committees do not receive any remuneration for their services. Travel expenses of £0.5k (2024: £1.2k) were reimbursed to three trustees (2024: four). Charitable funds have been used to buy indemnity insurance for Trustees at a cost of £7k (2024: £7k) and £27k (2024: £13k) has been spent on Trustees' recruitment.

Staff

The average headcount during the year was 100 (2024: 107). There were no staff on casual contracts (2024: two staff who assist with public lectures and front of house services were on casual contracts).

The average number of staff employed during the year on a full-time equivalent basis was 101 (2024: 100). This was split across the organisation as follows:

	2025 No	2024 No
Raising funds	7	10
Trading activities*	1	1
Programme of projects	25	26
Programme of engagement	40	38
Support departments	28	25
	101	**100**

* Trading activities includes RSA front of house staff who contribute to services provided by RSA Adelphi Enterprises Limited and programmes staff working to generate funds through RSA Shipley Enterprises Limited.

The cost of these individuals was as follows:

	2025 £'000	2024 £'000
Salaries	4,861	4,534
Employer's National Insurance contributior	517	471
Pension contributions	238	226
	5,616	**5,231**
Agency Staff costs	41	23
Total Staff Costs	**5,657**	**5,254**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

The number of employees who earned more than £60,000 during the year was as follows:

	2025 no	2024 no
£60,001 to £70,000	10	3
£70,001 to £80,000	1	1
£80,001 to £90,000	3	4
£90,001 to £100,000	2	1
£100,001 to £110,000	-	-
£120,001 to £130,000	1	1
£180,001 to £190,000	1	1

The number of higher-paid employees accruing pension benefits was:

	2025 no	2024 no
Defined contributions scheme		
- group personal pension	15	10

The total contributions paid by the RSA into the defined contribution scheme for higher-paid employees was £62k (2024: £42k). The cost of key management personnel, defined as members of the Leadership Team, including employer's national insurance and pension contributions by the RSA was £922k (eight individuals) (2024: £839k, seven individuals).

Termination payments for the year totalled £102k (2204: £16k).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5. Grants / Awards Paid & Payable

	2025 £'000	2024 £'000
Grant creditor at 1 April	32	65
Grants approved before 31 March and payable within one year	380	577
Grants paid/released during the year	(392)	(610)
Grant creditor at 31 March	**20**	**32**

Grants approved before 31 March and payable within one year:

		2025 £'000	2024 £'000
Grants	Grants to Fellows, including Catalyst Grants	-	64
Grants	International Affiliates	307	313
Grants	Playful Green Planet	70	-
Grants	Rethinking Public Dialogue	(10)	179
Awards	Student Design Awards	14	21
Total		**380**	**577**

The total number of grant recipients was 19 (2024: 42), including the following institution in receipt of grants totalling £100k or more:

	2025 £'000	2024 £'000
RSA USA	223	236

6. Operating Leases

At 31 March, the commitment for the next year under non-cancellable operating leases relating to equipment and the total outstanding commitment to the end of the leases were:

	2025 £'000	2024 £'000
Within 1 year	16	18
In 2-5 years	34	25

The rental expense charged to the Statement of Financial Activities for the year was £16k (2024: £18k).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7a. Intangible Fixed Assets

	Website & software £'000
Cost or valuation	
As at 1 April 2024	1,511
Transfers	-
Additions	246
Disposals	-
As at 31 March 2025	**1,757**
Amortisation	
As at 1 April 2024	1,196
Transfers	-
Charge for the year	214
Disposals	-
As at 31 March 2025	**1,410**
Net Book Values	
As at 1 April 2024	**316**
As at 31 March 2025	**347**

7b. Tangible Fixed Assets

	Freehold premises £'000	Building Improvements £'000	Furniture & fittings £'000	Books and antiques £'000	Total £'000
Cost or valuation					
As at 1 April 2024	4,965	11,002	1,261	33	**17,261**
Additions	-	370	199	-	**569**
Disposals			(10)		**(10)**
As at 31 March 2025	**4,965**	**11,372**	**1,450**	**33**	**17,820**
Depreciation					
As at 1 April 2024	830	5,938	965	-	**7,733**
Charge for the year	26	447	161	-	**634**
Disposals	-		(10)		**(10)**
As at 31 March 2025	**856**	**6,385**	**1,116**	**-**	**8,357**
Net Book Values					
As at 1 April 2024	4,135	5,064	296	33	**9,528**
As at 31 March 2025	**4,109**	**4,987**	**334**	**33**	**9,463**

The freehold properties at 2, 4, 6, and 8 John Adam Street and 18 Adam Street are listed as historic buildings. They are referred to elsewhere throughout the accounts as 'RSA House'. Consent must be obtained from Westminster City Council before undertaking any work that could affect these properties' architectural or historical interest. The value of the freehold premises represents the historical cost of acquiring the freeholds plus the cost of additions to the buildings. It is a requirement of United Kingdom Accounting Standards that freehold buildings should be depreciated over their estimated useful lives. To meet this requirement a notional life of 200 years was attributed to the premises in 1978, and depreciation is therefore charged on that basis.

Fixed assets are stated at cost with the exception of certain pictures, books, and antiques which are stated at a notional value adopted in earlier years and are not depreciable. The Trustees do not consider that any of these items are heritage assets.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. Investment assets

Investments in Government and other listed securities and Charities Official Investment Funds (COIF) at market values.

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2025 Total £'000	2024 Total £'000
Analysis of investment assets					
UK	536	36	986	1,558	1,344
Overseas	3,748	253	6,891	10,892	13,817
Alternative investments	1,530	103	2,813	4,446	4,613
Property	305	21	561	887	974
Bank deposits	459	31	843	1,333	462
	6,578	**444**	**12,094**	**19,116**	**21,210**

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2025 Total £'000	2024 Total £'000
Analysis of movement of investment assets					
Investments at 1 April 2024	8,318	464	12,428	21,210	19,312
Reclassficiation	-	-	-	-	-
Net withdrawals	(1,250)	-	-	(1,250)	-
Net additions	-	-	-	-	-
Transfers	(192)	-	192	-	-
Revaluation loss	(298)	(20)	(526)	(844)	1,898
Investments at 31 March 2025	**6,578**	**444**	**12,094**	**19,116**	**21,210**
Revaluation gain in 2024	749	43	1,106	1,898	

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

9. Debtors

	Group 2025 £'000	Group 2024 £'000	RSA 2025 £'000	RSA 2024 £'000
Trade debtors	824	483	64	108
Bad debt provision	-	(13)	-	-
Prepayments	361	126	357	123
Accrued income	38	139	25	73
Other debtors	128	165	133	152
Owed by RSA Adelphi \ RSA Shipley	-	-	509	302
	1,351	**900**	**1,088**	**758**

Accrued income relates to funds already earned but not yet received for work or activities undertaken in the current year. The accrued income which was brought forward from the previous year has been released in the current year.

10. Creditors

Amounts falling due within one year	Group 2025 £'000	Group 2024 £'000	RSA 2025 £'000	RSA 2024 £'000
Trade creditors	508	377	491	369
Accruals	511	299	381	162
Deferred project income	18	67	5	58
Taxation and social security	155	111	155	111
Other creditors	65	104	55	66
RSA Hospitality income received in advance	583	525	-	-
	1,840	**1,483**	**1,087**	**766**

Deferred project income relates to funds already received for work or activities due to be undertaken in the coming year. The deferred project income which was brought forward from the previous year has been released in the current year.

Amounts falling due after more than one year	Group 2025 £'000	Group 2024 £'000	RSA 2025 £'000	RSA 2024 £'000
RSA Hospitality income received in advance	21	17	-	-

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11. Funds

a) Movement in funds

	Balance 1 April 2024 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2025 £'000
Unrestricted funds						
Designated fixed asset reserve	9,844	-	(848)	-	814	9,810
Designated legacy reserve	29	-	-	-	-	29
Designated Design for Life reserve	191	-	(86)		-	105
Shipley Income Fund	4,256	401		(68)	-	4,589
General reserve	5,469	11,677	(12,192)	(230)	(1,006)	3,718
	19,789	**12,078**	**(13,126)**	**(298)**	**(192)**	**18,251**
Restricted income funds						
Programme of projects	116	524	(515)	-	-	125
Individual Trusts greater than £5k:						
Edward Boyle Fund	178	5	-	(7)	-	176
General Award Fund	16	5	-	(7)	-	14
General Lecture Fund	8	-	-	-	-	8
James Cranstoun Bequest	146	15	-	-	-	161
Dick Onians Lecture Trust	99	3	-	(4)		98
Angus Millar Trust	44	2	(6)		-	40
Edward Squires Fund	18	1	(1)	(1)	-	17
F H Andrews Bequest	15	1	(2)	(1)	-	13
	640	**556**	**(524)**	**(20)**	**-**	**652**
Endowment funds						
Shipley Expendable Endowment	11,844			(502)	192	11,534
Individual Trusts greater than £10k:						-
James Cranstoun Bequest	505			(21)		484
Angus Millar Trust	79			(3)		76
	12,428	**-**	**-**	**(526)**	**192**	**12,094**
Total Reserves	**32,857**	**12,634**	**(13,650)**	**(844)**	**-**	**30,997**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11. Funds (continued)

b) Restricted income funds

The restricted Programme of Projects fund includes grant funding which has been received in the year to support specific charitable activities.

The Shipley Income Fund is the income generated by the Shipley Endowment Fund which is used to support the RSA's programme in furtherance of its charitable objects.

The Edward Boyle Fund originates from a donation made by the Edward Boyle Memorial Trust in 1995 and is to be used, in the name of Edward Boyle, for the provision of bursaries at the University of Leeds, in addition to lectures at the University of Leeds and the RSA which should be broadly related to education, music and/or learning.

The General Awards Fund and General Lecture Fund were set up during the 2015/16 fiscal year and each comprise a group of funds released to restricted from endowment with the permission of the Charity Commission. The General Awards Fund may be used for the encouragement of arts, manufactures and commerce by the provision of awards, prizes, bursaries and grants, and the General Lecture Fund for the encouragement of arts, manufactures and commerce by the provision of lectures, and related costs.

The Dick Onians Lecture Trust was set up for the purpose of sponsoring an annual lecture to be given by a Fellow aged 40 or younger on the subject "how I intend to pursue the Shipley mission".

The Angus Millar Trust exists to fund an annual lecture held in Scotland for the purpose of stimulating discussion, developing ideas and encouraging action in accordance with the RSA's aims and objectives.

The Eddie Squires Fund supports the encouragement of arts, manufactures and commerce by the provision of an award for student fabric design.

The F H Andrews Bequest is to support the purchase of books for the RSA's library.

c) Endowment funds

The Endowment funds are trusts set up by individual donors in support of specific purposes such as named lectures and preservation of historic buildings. £401k income arising from the expendable endowment was included in unrestricted funds (2024: £382k), while £17k was included in restricted funds (2024: £17k) in accordance with the requirements of the funds.

During 2017/18, the RSA gained permission from the Charity Commission to take a loan of up to £3.5m from the Shipley Expendable Endowment Fund to fund the redevelopment of RSA House. Of this amount, £2.5m was used and transferred to general funds in 2018/19. Repayment began in 2019/20 with the transfer of £250k from general funds to the endowment. No repayment was made in 2020/21 as it is paid for by the return on the redevelopment of RSA House and, due to Covid-19, RSA House made a loss in that year. Repayments resumed in 2021/22. In 2023/24, Trustees decided to reduce repayments to the minimum requirement of £192k p.a.. Repayments to date total £962k, leaving a balance still to be repaid as at 31 March 2025 of £1.54m.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11. Funds (continued)

d) Analysis of net assets between funds

	Tangible and Intangible fixed Assets £'000	Investments £'000	Current Assets £'000	Liabilities £'000	Fund Balances £'000
Unrestricted funds					
Designated fixed asset reserve	9,810	-	-	-	9,810
Designated legacy reserve	-	29	-	-	29
Designated Design for Life reserve		-	105		105
General reserve	-	6,549	3,619	(1,861)	8,307
	9,810	6,578	3,724	(1,861)	18,251
Restricted income funds	-	444	208	-	652
Endowment funds					
Expendable	-	11,534	-	-	11,534
Permanent	-	560	-	-	560
	-	12,094	-	-	12,094
Total funds	**9,810**	**19,116**	**3,932**	**(1,861)**	**30,997**

12. Pension schemes

The Consolidated Statement of Financial Activities includes contributions by the Charity to the Group Personal Pension scheme of £238k (2024: £226k).

13. Taxation

As a registered charity the RSA is not liable to taxation on its income and capital gains so long as they are used for its charitable purposes.

14. Related parties

There were no related party transactions in the reporting period that require disclosure.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

15. Subsidiary undertakings

a) RSA Adelphi Enterprises Limited

The company principally operates a hospitality business within RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly owned subsidiary and is incorporated in England and Wales. Two members of the RSA Trustee Board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £100 represented by 100 shares of £1. The shares are not disclosed in the balance sheet below because they round down to £0k.

i) Summary of profit and loss account for RSA Adelphi Enterprises Limited (company number: 02784581)

	2025 £'000	2024 £'000
Turnover	3,955	4,116
Cost of sales	(3,047)	(2,832)
Gross profit	**908**	**1,284**
Other expenses	(743)	(1,052)
Net profit	**165**	**232**
Bank interest	16	14
Gift Aid paid to RSA	(246)	(477)
Net movement in funds	**(65)**	**(231)**

ii) Summary of balance sheet for RSA Adelphi Enterprises Ltd

	2025 £'000	2024 £'000
Current Assets:		
Stocks	28	18
Debtors	264	361
Cash	773	812
Owed by Group	-	-
	1,065	1,191
Creditors:		
Creditors	145	176
Payments received on account	604	543
Owed to Group	135	226
Other creditors	-	-
	884	945
Net assets/Share capital	181	246

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

b) RSA Shipley Enterprises Limited

The company principally operates a consultancy business within RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly owned subsidiary and is incorporated in England and Wales. Two members of the RSA Trustee Board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £1, represented by 1 share of £1. The share is not disclosed in the balance sheet summary below because it rounds down to £0k.

i) Summary of profit and loss account for RSA Shipley Enterprises Limited (company number: 08716337)

	2025	2024
	£'000	£'000
Turnover	491	193
Cost of sales	(191)	(113)
Gross profit	**300**	**80**
Other expenses	(112)	(48)
Net profit	**188**	**32**
Gift Aid paid to RSA	(32)	(13)
Net movement in funds	**156**	**19**

ii) Summary of balance sheet for RSA Shipley Enterprises Ltd	**2025**	**2024**
Current Assets:	**£'000**	**£'000**
Debtors	508	83
Cash	79	40
	587	**123**
Creditors:		
Creditors	25	16
Owed to parent	374	75
	399	**91**
Net assets/Share capital	**188**	**32**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

c) Reconciliation of subsidiary results to group reporting	**2025**	**2024**
	£'000	**£'000**
Income from trading activities	4,395	4,206
Expenditure on trading activities - direct costs	(3,468)	(3,349)
Contribution to RSA overheads	**927**	**857**
Expenditure on trading activities - support costs	(498)	(688)
As reported in RSA consolidated financial statements	**429**	**169**
Add back support costs apportioned to activity for group reporting purposes	498	688
Add back direct costs incurred by parent allocated to activity for group reporting	336	197
Add back intercompany charges eliminated upon group reporting consolidation	(912)	(790)
RSA Adelphi/Shipley Enterprises reported profit	**351**	**264**

d) Other subsidiary undertakings

The RSA also has two other subsidiary undertakings as follows, neither of which are consolidated as they would not materially affect the figures reported in, or presentation of, the consolidated accounts:

(i) RSA ANZ Limited also known as RSA Oceania, a corporation established for charitable purposes under the laws of the Commonwealth of Australia

(ii)The Fellows of the RSA in the United States also known as RSA USA, a corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania.

16. Parent charity result	**2025**	**2024**
	£'000	**£'000**
Income and endowments	9,184	9,171
Expenditure	(10,567)	(10,176)
Gift Aid income from subsidiaries	278	490
Net income/(expenditure) before net gains/(losses) on investments	(1,105)	(515)
Net gains/(losses) on investments	(845)	1,899
Net movement of funds	**(1,950)**	**1,384**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

17. Comparative Statement of Financial Activities

	Notes	General Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2024 total £'000
Income and endowments from:						
Donations and legacies						
Fellowship donations		6,435	-	-	-	**6,435**
Other donations and legacies		69	-	-	-	**69**
Trading activities		4,206	-	-	-	**4,206**
Investment income		602	-	38	-	**639**
Charitable activities						
Programme of projects		492	-	633	-	**1,125**
Programme of engagement		9	-	-	-	**9**
Other income		35	-	-	-	**35**
Total income	2	**11,848**	**-**	**671**	**-**	**12,519**
Expenditure on:						
Raising funds						
Fellowship administration		1,319	117	4	-	**1,440**
Trading activities		4,004	34	-	-	**4,038**
Charitable activities						
Programme of projects		2,457	357	955	-	**3,769**
Programme of engagement		3,546	451	2	-	**3,999**
Total expenditure	3	**11,326**	**959**	**961**	**-**	**13,246**
Net income/(expenditure) before net gains/(losses) on investments		**522**	**(959)**	**(290)**	**-**	**(727)**
Net gains/(losses) on investments	8	749	-	44	1106	**1899**
Net income/(expenditure)		**1271**	**(959)**	**(246)**	**1106**	**1172**
Transfers between funds	11	(274)	255	-	19	**(0)**
Net movement of funds		**997**	**(704)**	**(246)**	**1125**	**1172**
Reconciliation of funds						
Total funds brought forward		8,728	10,768	886	11,303	**31,685**
Total funds carried forward		9,725	10,064	640	12,428	**32,857**

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England & Wales - Charity number 212424

Accounts

RSA

IMPACT REPORT 2023–24

And financial statements for the year ended 31 March 2024

Contributors

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Her Royal Highness
The Princess Royal

Trustees

Tim Eyles OBE
Chair

Charlotte Oades
Deputy Chair

Ian Ailles
Co-treasurer

Jill Humphrey
Co-treasurer

Neil Beagrie
(from January 2024)

Sandra Boss

David D'Souza

Claire Doran
(until November 2023)

Andrea Kershaw

Hosein Khajeh-Hosseiny

Sam Lewis

Eva Pascoe
(from March 2024)

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Tony Sheehan
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Chief Executive Officer

Sascha Taylor
Chief Operating Officer

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Director of Finance

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Oliver Burrows
Interim Director of Research and Learning

Joanna Choukeir
Director of Design and Innovation

Vicky Kington
Director of Content and Communications
(from September 2023)

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Constitution

The RSA is a charity governed by a Royal Charter (RC000523). It is registered under the Charities Act 2011. Registration number 212424.

The RSA is also registered in Scotland. Registration number SC037784.

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1 Chair and Chief Executive's introduction

We are living in an 'Era of Anxiety', with many of our key systems – and the individuals in them – fragile. Bold thinking and initiatives are needed to spring this trap, bringing people and places together to inject optimism and dynamism into our decision-making and shift us to an 'Age of Aspiration'. That is why – economically, societally and environmentally – the work of the RSA has never been more important than now.

The Design for Life (DfL) mission was launched at the RSA in May 2022 with the aim of doing just this. It seeks to enable people, places and planet to flourish in harmony. After 18 months of development, the DfL Programme is now **delivering interventions that are having lasting practical impact in communities around the world**, true to the original aims of the RSA.

Part of that policy programme involves reformulating education and learning practices to make them fit for the 21st century. For example, our Playful Green Planet intervention launched this year aims to ensure every child aged up to 10 years old has access to nature-based creative play. This will transform how primary schools, early years settings and communities foster children's connection to nature through playful and practical learning.

The RSA's Student Design Awards (SDAs) celebrate their centenary this year – the world's oldest design Awards for young people. This big birthday has caused us to rethink the next 100 years. Our RSA Spark, which will be launched later this year, will pioneer a new approach to learning, from pupils to entrepreneurs. This is rooted in practical solutions to societal problems and focused on those furthest from learning.

Sitting alongside our people-focused interventions are several place-based initiatives. The RSA's Prosperous Places Programme includes our work leading the UK Urban Futures Commission, published in September 2023; our Creative Corridors Programme, including work on the Northern Creative Corridor partnership involving the Mayors in Liverpool, Greater Manchester, West Yorkshire, South Yorkshire, the North East, and Teeside, plus the BBC, ITV and Channel Four; and our Regions of Learning Programme, including our recently introduced Digital Badging Commission.

In May 2024, we awarded the Benjamin Franklin Medal to Professor Raj Chetty in recognition of his work on how social connections can support social mobility. The ceremony marked the launch of RSA's Social Connections Programme, which will see social capital and connections run as a golden thread through all the RSA's interventions.

The success of all our interventions as they move from start-up to scale-up, and of the RSA's work more generally, relies on the support of our Fellowship, a formidably broad and diverse circle of around 31,000 Fellows that sits at the very heart of the RSA. In the past 12 months, we have launched multiple new initiatives to strengthen our engagement with Fellows and unlock more of their expertise and experience.

With two-thirds of UK Fellows living outside London, we launched RSA Connect – our Fellowship event series bringing the RSA closer to Fellows living outside the capital. Following its launch in April 2023, **Circle (our online platform for Fellows) now hosts 4,000 active members, fostering connections and collaborations**. And through the introduction in July 2023 of the Youth Fellowship initiative, Fellowship among those aged 18 to 25 years old has since doubled, with a Youth Advisory Council and Youth Mentoring Programme now also in place.



Chair and Chief Executive's introduction



BEN OAKLEY GALLERY



LAURA AZIZ

Beyond the UK, between 2018 and 2023, our global Fellowship grew by over 20 per cent, and **we now have Fellows in c.100 countries**. This is, in turn, reflected in the ambitions of our RSA US and RSA Oceania Affiliates, which are now executing exciting three-year strategic plans, including developing international partnerships around the world.

The vibrancy of RSA House continues to grow, with a packed programme of events, music and lectures attracting an ever larger and more diverse audience. Our global ideas platform continues to expand its reach with now more than 777,000 global subscribers, and our videos, podcasts and award-winning animations, showcasing a world-class selection of speakers, have now received more than 129 million total views.

The award-winning *RSA Journal* continues to be recognised as a leading print title, while also expanding its digital ambitions. The *RSA Journal* has been redesigned, with the new look introduced for the issue celebrating the RSA's 270th anniversary issue. At the same time, digital *RSA Journal* content has been significantly revised and is becoming some of the RSA's most engaged with pieces on social media.

We continue to expand our thriving array of diverse art exhibited throughout RSA House, in tandem with the display of artefacts from the archive. As part of this, we are opening the Vaults to local artists and charities to provide them with the opportunity to display and share their artworks.

We would like to **extend our gratitude to RSA colleagues, Fellows and partners for their dedication and support** over the past 12 months. The hard work and creativity of these individuals are central to the success of the RSA in bringing about lasting societal change. As we look forward to the next 12 months, we are confident that the RSA will reach new heights with such a powerful community behind us.



Tim Eyles OBE
Chair



Andy Haldane
Chief Executive

A personal note from Andy Haldane, Chief Executive:

In October 2024, Tim Eyles will be completing his second term as RSA Chair and, in accordance with the RSA's Bye-Laws, will be stepping down from the position. I speak for everyone at the RSA – staff, Trustees, Fellows, partners – in extending our deepest thanks to Tim for his unstinting, innovative and authoritative leadership over the past six years. This has been critical to the RSA as it has moved from strength to strength and embarked on a journey of transformative change.



We are the RSA.

The Royal Society for the Encouragement of Arts, Manufactures and Commerce. Where world-leading ideas are turned into world-changing actions.

Our vision is a world where everyone can fulfil their potential and contribute to more resilient, rebalanced and regenerative futures.

The RSA has been at the forefront of significant social impact since 1754. Our proven change process, rigorous research, innovative ideas platforms and unique global network of changemakers, work collectively to enable people, places and planet to flourish in harmony. This year we celebrate 270 years of the RSA. and 250 years at RSA House.

In 2023, the RSA took a fresh and positive approach to what was happening in the world by addressing the theme of *What Could Go Right?* We have built this approach of optimism into all of our work and events across the year, bringing this theme to life and asking panellists and speakers to address this key question.



Our values

To achieve our Design for Life mission, we ask everyone – our staff, our Fellowship, our collaborators, our partners and wider society – to commit to our values and world view, and to deliver our interventions to create practical impact in communities around the world.

Our five values underpin everything we say and do, how we work with people, behave towards them and communicate. Here is a brief description of what each one means to us.

Open

Always inclusive, transparent and honest, we welcome new thinking and different perspectives

Optimistic

We are confident that together, we can regenerate our world through collective action

Courageous

We champion curiosity, creativity and bravery to inspire better ways of thinking and doing

Rigorous

Rooted in evidence-led thinking, we act with integrity and purpose

Enabling

Through generosity, respect and collaboration, we help others succeed



ONE RSA

The RSA's Design for Life (DfL) strategy details how we intend to deliver on our mission. It recognises that our mission can only be realised as ONE RSA and is designed to guide how we draw on the creativity and talent of our staff, our Fellowship, our collaborators, our partners and wider society, working collaboratively and with common purpose.

To this end, our strategy organises the RSA into three **Routes to Impact** that encompass our whole organisation.

1 **Design for Life Interventions:** A programme of collective action uniting people and ideas to regenerate our world;

2 **RSA Fellowship:** A unique global network of changemakers enabling people, places and planet to flourish in harmony; and

3 **RSA Assets:** Our people, platforms, heritage and RSA House and hospitality, all of which can be deployed in pursuit of regenerative futures.

The RSA is a global organisation. We have affiliates in the US and Oceania, and Fellows in 113 countries across the world. In 2023/24, we refreshed our approach to international programmatic work to further unlock the potential of our international community. This global approach is designed to maximise our social impact by focusing our activities through three initiatives:

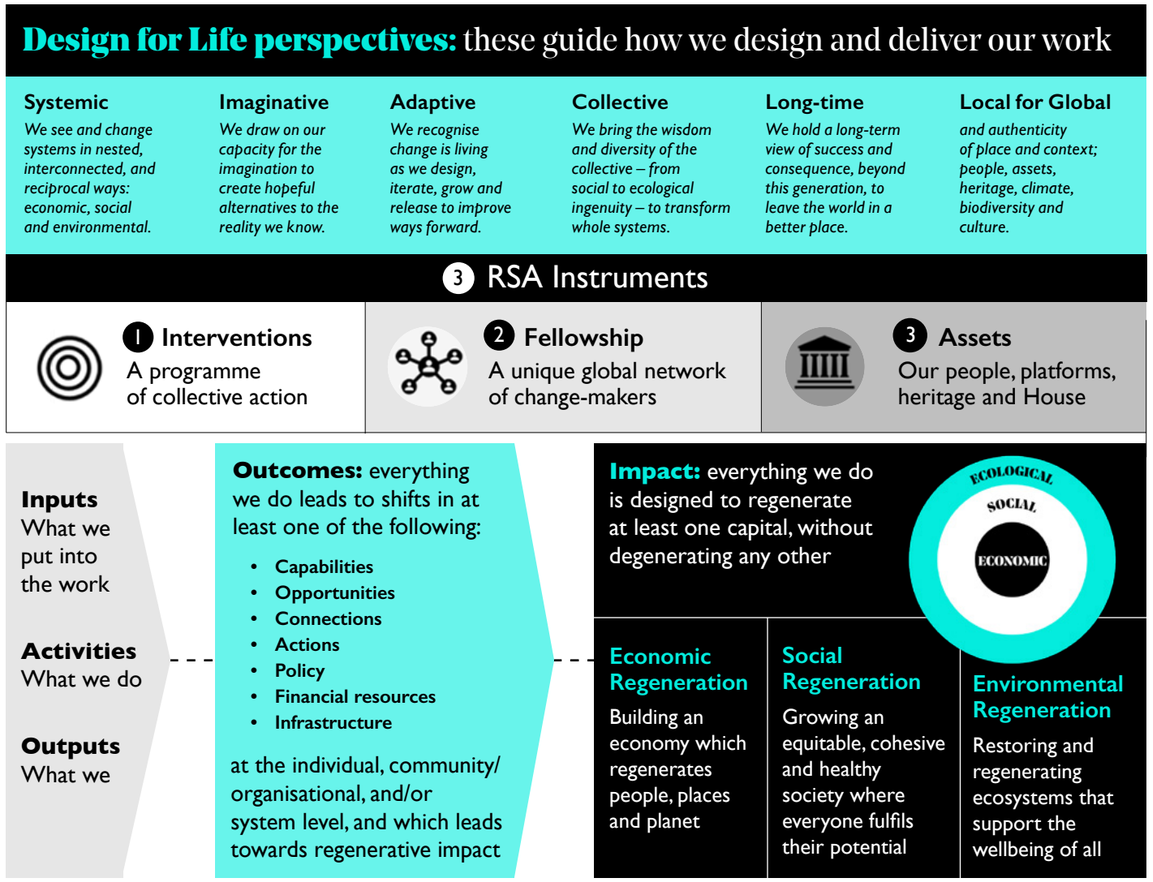
- **Networks of Networks:** Scaling Interventions by leveraging existing infrastructure, processes and resources, and working with global partners to tailor them to local contexts.
- **Regional Growth:** Deepening the RSA's presence in a place to support delivery of Interventions, unlock regional funding opportunities and enhance the Fellowship experience.
- **Strategic Opportunities:** Ad hoc partnerships that form around opportunities of outsized impact relative to investment.

A key feature of the Design for Life strategy is articulating as clearly as possible what success looks like and how we plan to measure it. We use our RSA outcomes framework (see below) to inform a consistent approach to articulating social impact.

Guiding our work is a set of Key Value Indicators (KVIs). Our KVIs serve as our overarching performance objectives for the organisation. Each of our Routes to Impact (Interventions, Fellowship and RSA Assets) has a small suite of measurable KVIs, which are, at a minimum, qualitative but ideally quantitative.

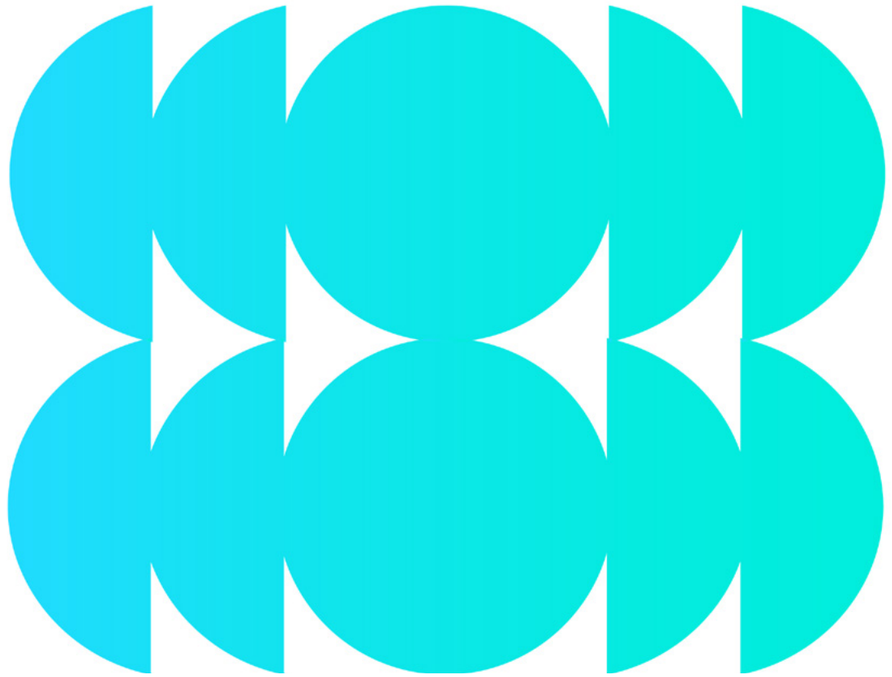
To enable our community to track outcomes and impact resulting from our strategy, the following sections of this report are organised according to our three Routes to Impact. Each section sets out the relevant KVIs, provides the latest available data to measure impact, and, where data is not yet available, we set out a plan for collecting it.

RSA outcomes framework



Design for Life: a framework for outcomes and impacts

Interventions



We are about to explore our impact currently: looking back and looking ahead. Our Design for Life interventions are split into three areas of focus:

- **Capabilities for Life**
- **Prosperous Places**
- **Social Infrastructure**

Our impact

The journey to develop interventions has been both rewarding and challenging in equal measure, as is typical of the experience of any founders working on impact start-ups, although with the benefit of the legacy, platform and networks of a 270-year-old social change institution. This journey will likely be ongoing, with the interventions continuing to evolve for the duration of the Design for Life mission.

Moving into 2024/25, our capabilities-focused interventions will sit under the Capabilities for Life area of focus, bringing in all our learning from 2022 onwards on growing capabilities that better enable people to care for people, places and planet.

We will also change how we frame our place-based work. Previously, the UK Urban Futures Commission, Creative Corridors and Regions of Learning have been grouped together under the title 'Growing Hubs'. This will change to 'Prosperous Places'. Place-based interventions will be sorted depending on whether they focus on 'Planning for Prosperity' or 'Delivering Prosperity'. Where necessary, interventions will be broadened to make them fit for purpose of a programme covering all places and sectors: UK Urban Futures will become one element of a 'Local Prosperity Plans' intervention, while Creative Corridors will be subsumed into 'Innovation Corridors'.

Overall, we have seven interventions we are continuing to invest in or seek investment into, which are grouped under these three areas of focus: Capabilities for Life, Prosperous Places and Social Infrastructure.

Interventions: focused on three areas

Capabilities for life

Nurturing agency, mindsets and skills that enable people to act in new ways to care for people, places and planet

- **Playful Green Planet** — 0–10 children
- **RSA Spark*** — 11–18, 18+ learners, entrepreneurs

Prosperous places

Growing locally led and innovative approaches to places planning and delivering prosperity

- **Local Prosperity Plans**** — From community to region
- **Innovation Corridors***** — Pan-regional
- **Regions of Learning****** — Regions

Social infrastructure

Developing social infrastructure that connects and supports people, organisations and communities

- **Digital Badging** — Systems
- **Social Connections** — Systems

Figure 1: Interventions' areas of focus summarise the mechanisms of change that interventions are adopting to drive impact towards the Design for Life mission. Some intervention names have changed: * Formerly Design for Life Awards ** Formerly Regenerative Capabilities Coalition and 10 Cs ***Formerly UK Urban Futures (UKUF) ****Formerly Creative Corridors

Key Value Indicators

The interventions invariably contribute to five Key Value Indicators that aggregate the outcomes we are seeking to achieve through the interventions portfolio overall:

1. Increase participation in enterprise and action related to social and natural prosperity.
2. Growth in skills and capabilities leading to better matching with local labour markets and increased resilience to future economic changes.
3. Increase in social connections within and across different groups in society, leading to improved wellbeing and life chances.
4. Places have clear, locally owned goals for growing prosperity across economic, social and natural systems, and are executing a plan to deliver against them.
5. Policy and practice shifts across public, private and civil society sectors in service of a healthier economy, society and environment.

Capabilities for life

Intervention: Playful Green Planet

Overview

Enabled and co-created by a movement of local volunteers (Stewards) and coalitions, Playful Green Planet transforms latent green spaces in areas of high need and low access, into outdoor playrooms and classrooms for primary schools and early years settings, reconnecting children to nature and regenerating local ecologies.

Outputs

By 2026:

2000 children aged 0–10 benefiting from Playful Green Planet.

56 local organisations involved in co-design and co-production.

150,000 hours of nature-based play unlocked.

Policy and practice influencing campaign led by advisory group.

Outcomes

An increase in children's connection to nature and community.

An increase in children's agency and wellbeing.

Increased capacity of communities (e.g. primary schools and early years settings) to foster nature and social connectedness in children.

An increase in children's capabilities for social and environmental action.

Create an adaptable and scalable model that contributes to systemic change.

Impact goal

Increased social and environmental action by children.

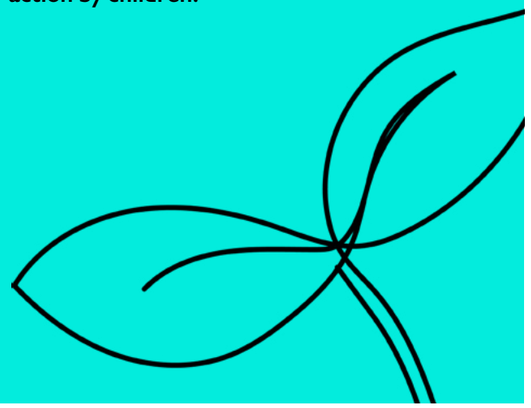


Figure 2 provides more detail on each intervention and the societal impact they are contributing towards.

Intervention: RSA Spark

Overview

Soft launching in September 2024, RSA Spark (previously referred to as Design for Life Awards) will move our awards away from competition to collaboration and learning. The new awards offer pupils, students and entrepreneurs globally mission-led learning, innovation, connection and funding opportunities to grow ideas and businesses for a regenerative world.

Outputs

By 2030:

20,000 participants engaged with the learning journeys.

Every participant makes valuable social connections.

Created, seeded, or scaled 1,500 impact ideas or enterprises.

Evaluation and learnings shared with key policy and practice influencers in education, learning and enterprise.

Outcomes

Increased participation in learning and enterprise, especially amongst those often excluded.

An increase in essential capabilities for life.

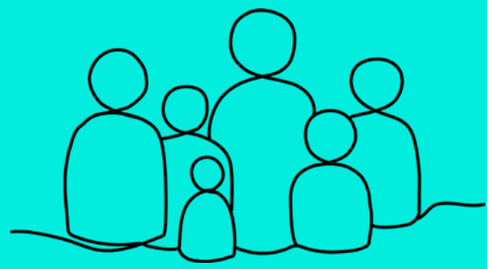
An increase in the number of valuable social connections.

Partners are inspired by and support ideas and enterprises created.

Policy and practice influencers informed by evaluation findings.

Impact goal

A greater number and greater diversity of learners and entrepreneurs taking action in new ways to care for people, places and planet.



Prosperous Places

Intervention: Local Prosperity Plans

Overview

A partnership between the RSA and places to develop cutting edge strategies to deliver economic, social and natural prosperity, convening coalitions of local public, private and not-for-profit leaders, alongside citizens to co-create the plan and help deliver it.

Outputs

A Place Coalition consisting of leaders from public, private and third sectors.

A small suite of goals across the three systems that define prosperity for the area.

Propositions at scale that build on local strengths and are explicitly designed to deliver goals.

A capital stack to finance the plan.

Outcomes

For places the RSA works with:

Clarity and credibility for public, private and third sectors on long-term goals.

Local leaders and residents feel ownership over the plan.

Investment in propositions, in particular from the private sector.

Areas grow capacity and tools to remain at the cutting edge of local prosperity planning.

Progress towards local prosperity goals, as defined in the LPP and experienced by residents.

Impact goal

Increased economic, social and environmental prosperity in places.



Intervention: Innovation Corridors

Overview

Connecting neighbouring places and industry clusters that will benefit from coordinated strategies and networks

Through this joined-up approach they seek to create even greater value for citizens, places and the wider economy.

Outputs

Partnering with political leaders and anchor institutions across a corridor area:

Innovation Corridor Plan, including aims and governance institutions.

Corridor Coalition consisting of leaders from public, private and third sectors, and residents where relevant.

Small suite of policy propositions that speak to the barriers to economic growth and innovation in the specific corridor area.

Outcomes

For places the RSA works with:

Familiarity with Corridor, its purpose and its goals amongst public, private and third sectors as well as residents.

Coordinated strategy development across places in the innovation corridor.

Propositions unlock finance and investment for firms in target geography and sector(s).

Increased opportunities for lifelong learning and skills development.

Increased levels of innovation.

Impact goal

Increased regional and sectoral prosperity.



Prosperous Places (continued)

Intervention: Regions of Learning

Overview

Working with post-16 learners who haven't thrived in traditional settings to accredit hidden capabilities and develop new skills, in turn helping employers close skills gaps. This is achieved through connecting fragmented learning strategies, a modular approach to learning, digital badges and national partnerships.

Outputs

Training for key stakeholders.

Digital badges that reward non-accredited learning.

Learning pathways co-designed with industry.

Engagement: supported events and campaigns.

National Regions of Learning community, sharing best practice between places.

Outcomes

For places the RSA works with:

Reduction in skills shortages for local employers.

Digital badges are understood and used by both local learners and employers.

Employers, Local Authorities and learning providers have the capacity to issue high-quality digital badges.

Reductions in economic inactivity and/or claimant count.

Growth in in-work professional development.

Impact goal

Regional economies that provide training and routes into work for all types of learners supported by employers that are staffed by people from the area.



Social Infrastructure

Intervention: Social Connections

Overview

Social Connections will build on the joint research with the Behavioural Insights Team to provide an atlas of social capital in the UK. This will act as a starting point for place-based collaborations to build social capital where it is most needed. RSA US will pursue similar place-based interventions and link them together through a Global Action Learning Network.

Outputs

Data Observatory to bring together all available (UK) data on social capital at a local level and allow comparisons across places.

Review of effectiveness of past actions to bolster social connections.

Toolkit to support social interventions in place.

Funder coalition to unlock greater resources to regenerate social capital.

Outcomes

Increased understanding of how social capital is formed in the UK.

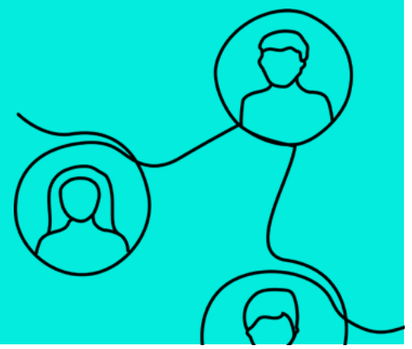
Greater understanding of the environmental conditions required to effectively build social connections.

Increased community cohesion.

More effective policy levers to enhance people's social and economic connectedness.

Impact goal

Increased social mobility in the UK through greater cross-class connectivity (economic connectedness).



Social Infrastructure (continued)

Intervention: Digital Badging Commission

Overview

By November 2025, the Digital Badging Commission will have examined how digital micro-credentials, with robust, underpinning quality assurance, and technical infrastructure can support a rapidly changing skills need that is currently not being met by traditional education.

Outputs

Diverse stakeholders working together to ensure standards meet multiple needs.

Prototypes of badges and standards created.

Recommendations made at policy level.

Diverse learners gain access to high-quality badges and ability to share these with employers.

RSA reviews and redevelops the RSA badging standard.

Outcomes

Employers and learning providers have tools to create high-quality digital badges.

Socialisation of using digital badges to connect people to jobs.

Skills passports become recognised and trusted form of sharing skills.

Create an adaptable and scalable model that contributes to systemic change.

Impact goal

Bringing together key stakeholders to recommend standards and technical infrastructure that underpin high-quality digital badges to support learners and employers.



The journey so far

Over the two years since launching our Design for Life mission, the RSA's programme of interventions has evolved into a diverse and ambitious innovation pipeline. In our first year, 2022/23, most of these interventions were at the start-up stage. They grew out of a co-designed process – among colleagues, partners and over 1,000 Fellows – that focused on the sweet spot at the intersection of three key priorities:

1. **The mission to enable people, places and planet to flourish.**
2. **The seven pathways of audiences, towards which we prioritised our programmatic impact (early years, children, learners, entrepreneurs, places, businesses and systems leaders).**
3. **The RSA's strengths and assets that we could harness to deliver impact (Figure 3).**

Interventions: collaboration at the intersection of...

Interventions were born out of a co-creation process with multidisciplinary colleagues, partners and over 1000 Fellows intervention audiences in 2022, to shape actions that meet the sweet spot between mission, impact audiences and RSA strengths.

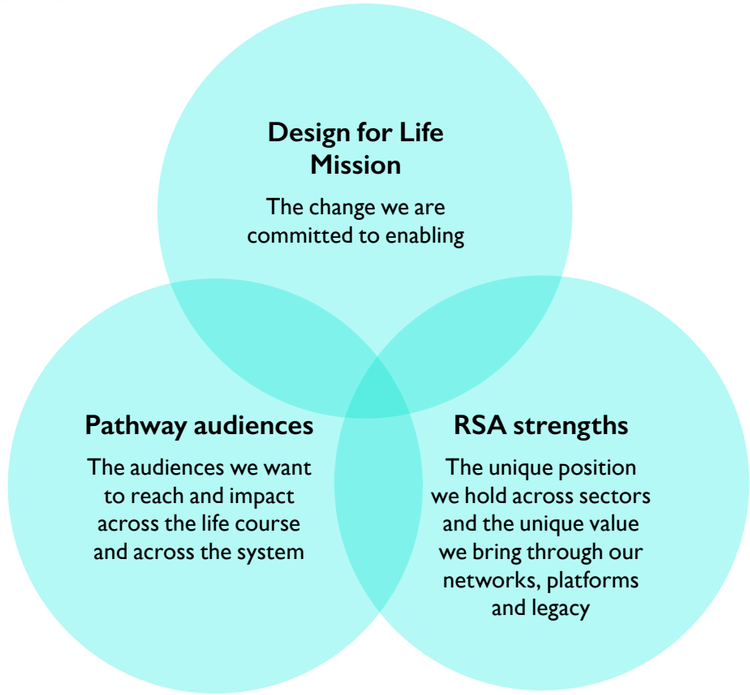
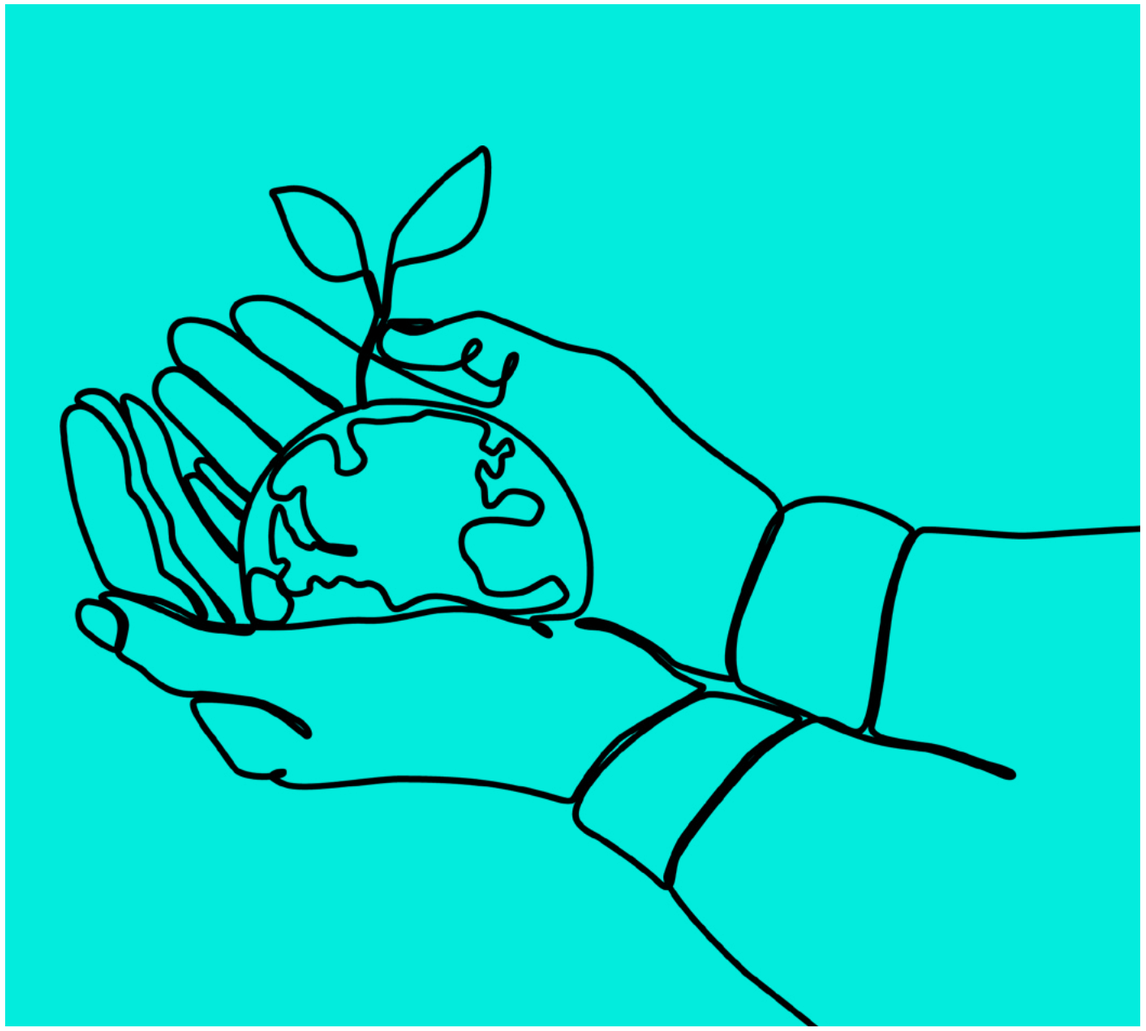


Figure 3: Interventions co-design priorities in year 2022/23

In the second year of development, over 2023/24, we have seen some of our start-up interventions grow and evolve in impact and maturity. Inspired by our regenerative mission and the living cycle of innovation that we all experience all around us in nature, we have developed a framework to help understand, synthesise and track our innovation pipeline of interventions (Figure 4). Different interventions are at different stages of the pipeline, depending on what we are learning about the value they bring to our communities, as well as the level of investment we have secured to support their impact.



Interventions: a living cycle of start-up innovation

Soil	Roots	Shoots	Growth	Compost
The world as it is	Who should we work with	What are we discovering	How might we build on this at scale	What should we let go of
The world as it could be	What could we do	What are we testing	What impact are we having	What have we learned
What unique role could the RSA play	How might we fund the start	What change do we want to see	How might we continue to fund this sustainably	How might we release resource for other things
Outcomes Framework systems	**Playful Green Planet** 0-10 children	**Innovation Corridors** regions	**Urban Futures** cities	**Knowledge Commons** systems
	RSA Spark 11-18, 18+ learners, entrepeneurs	**Digital Badging** systems	**Regions of Learning** regions	**SDAs/PDAs*** 11-18, 18+ learners
	Capabilities for Life 11-18, 18+ learners, entrepeneurs	**Social Connections** systems		**Catalyst** entrepreneur

* Student Design Awards and Pupil Design Awards

Figure 4: A living cycle of innovation as applied to Design for Life interventions

Interventions

The different stages of this living cycle of intervention research and innovation are:



Soil

- **Soil**: the stage of preparing the soil is fundamental to qualifying why and how the RSA might need to intervene in any social change context. All interventions as early hypotheses started out at this stage: understanding the current challenges and opportunities to which they were aiming to respond, setting a vision for the future and defining how the RSA could and should act. For example, the Design for Life Outcomes Framework redefined how we might value and evaluate the impact of RSA work through a nested capital approach, across economic, social and environmental outcomes. This intervention is helping to prepare the soil to kick-start a different way to assess our impact on interventions, assets and Fellowship.



Roots

- **Roots:** this is about starting to root early concepts and ideas in collaboration with our intervention audiences and communities. Across many of our interventions, we mapped stakeholders with whom we need to be working closely; we developed proof of concepts and prototypes; and we shaped plans with funders who were investing in similar commitments. As an example, on Playful Green Planet, we are partnering with the Eden Project, Bath Spa University, House of Imagination and active Fellows in local communities to shape a proof of concept and to secure funding that will enable us to test new approaches that unlock nature-based playrooms and classrooms for all children in the latent green spaces of deprived urban neighbourhoods.



Shoots

- **Shoots:** this stage focuses on testing budding interventions in real contexts, capturing learning and iterating. A few of our interventions were successful in securing funding to support this stage of work. For example, we know that micro-credentials have an opportunity to bridge the gap for those most excluded from learning and the labour market, and to create more dynamic pathways between learning providers and employers, as they navigate polycrises and a rapidly shifting skills landscape. However, despite sporadic guidance through formal education and learning providers in the last 10 years, digital micro-credentials have proliferated, supporting a burgeoning non-accredited learning sector that is unregulated and problematic to engage with. We have partnered with Ufi VocTech Trust to launch a Digital Badging Commission that aims to bring together different players across the ecosystem to better understand how quality standards embedded within digital data can drive trust and support digital micro-credential adoption within skills wallets as a meaningful driver for employability.



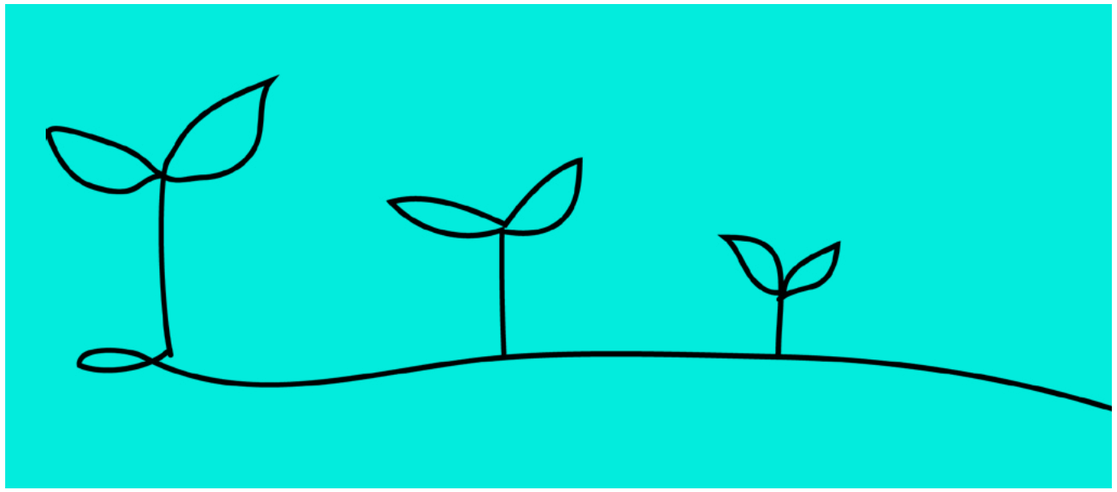
Growth

- **Growth:** at growth stage, we are building on what works to mainstream a different way of intervening to drive impact towards better outcomes for people, places and planet. For example, there are significant literature and experimental approaches that advocate for a nested approach to place-making, where the needs of local economies, communities and the environment they rely on to thrive are balanced and integrated rather than siloed as separate strategies, budgets and initiatives. The UK Urban Futures Commission set out to build the business case using place-based nested outcomes across 11 cities for the needs for this approach, with clear recommendations for action that cities can start to deliver on.



Compost

- **Compost:** throughout our research and innovation lifecycle, inspired by nature, we have also been more intentional about letting go of interventions that need to evolve into something better, or whose time has passed. For example, we were pleased in last year's 2022/23 Impact Report to share that the Knowledge Commons intervention, which started as an inquiry to set a new knowledge platform, sharing practice and evidence that serve regenerative missions, has led to the development of the RSA's Open Knowledge standards. The idea of a platform has composted, as the inquiry revealed that the RSA is and has always been a knowledge platform, from our research and innovation awards to our events, *RSA Journal* and Coffee House. The new standards enable us to ensure that how we and our community share, use and remake knowledge continues to be as open, usable, accessible, reciprocal, consistent and mission orientated as possible.



Impact looking back

Capabilities for Life

We launched an inquiry over 2022/23 into what capabilities education and enterprise needed, to better catalyse a transition to a regenerative economy. The inquiry kicked-off with an open as well as targeted call to Fellows and organisations working on transforming capabilities. This attracted over 41 businesses and organisations that were investing in skills different or shaping and leading systems-shifting capabilities frameworks (e.g. WEF, Skills Builder, CIPD, etc). The mixed-method approach included convening activities, a review of existing thought leadership and practice, in-depth interviews and co-design workshops.

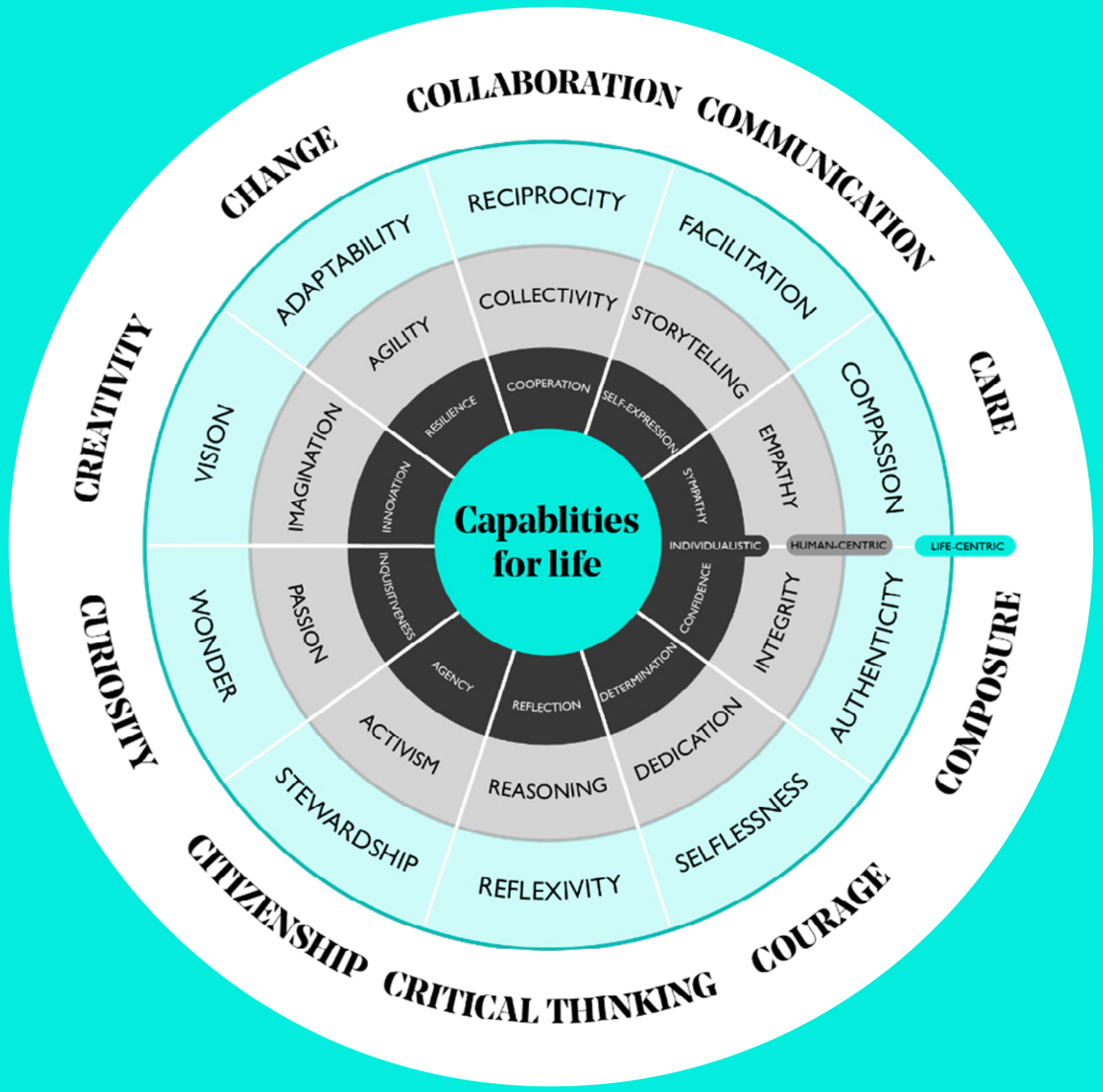
Findings from the inquiry surfaced that current education and enterprise systems have a strong focus on and investment in foundational and vocational skills, which are necessary, but there is less attention paid to transferable skills that shape the mindsets and values that learners, entrepreneurs and employees apply to their day-to-day decision-making when developing products and services for a healthier and more regenerative economy.

In response to this gap, and inspired by and building on Sir Ken Robinson's 8Cs for human success, we collaborated with inquiry partners to co-design the Capabilities for Life framework, which outlines 10 transferable capabilities (such as collaboration, creativity and critical thinking) that each show up at three levels: individualistic to improve self-awareness and self-efficacy, human-centric to improve how we connect with others and life-centric to improve how we connect to the wider environment and our impact on it (Figure 5).

The framework was published on the RSA website in early 2024 under a Creative Commons License, and in just three months had over 450 unique downloads from our community. This framework is central to the development of learning curricula for school children, adult learners and entrepreneurs as part of the new RSA Spark launching in September 2024, in order to deliver on this interventions' capability building outcomes.

We have a wonderful Capabilities for Life Faculty of Fellows experienced in teaching, learning, enterprise and inclusion supporting with the co-production of the curriculum content.

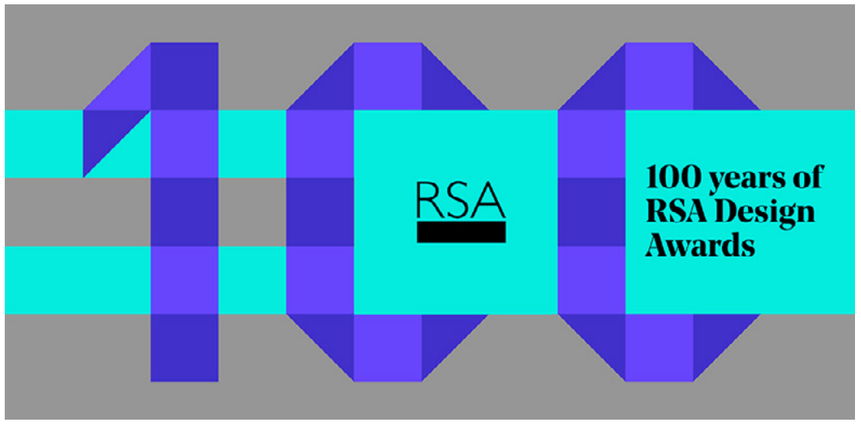
In just three months The Capabilities for Life framework had over **450 unique downloads** from our community



This framework builds upon Sir Ken Robinson's 8 core competencies (or 8Cs) to help learners succeed in their lives (Creative Schools, 2015)

Capabilities for Life © 2023 by RSA is licensed under CC BY-SA 4.0

Figure 5: Capabilities for Life Framework



RSA Spark

RSA Spark builds on our 270-year legacy of inspiring innovation. In 2024, we are transforming our **Student Design Awards**, **Pupil Design Awards** and **Catalyst Awards** to create one unified and enhanced offer. Launching in September 2024 as private Beta, and January 2025 as public Beta, RSA Spark will offer learning, collaboration and funding opportunities to grow diverse movements of learners and entrepreneurs, taking action in new ways to care for people, places and planet. Education and enterprise models have long been unfit to meet the needs of the 21st century. Our revised approach to the RSA Spark is committed to improving the 'why', 'what', 'how' and 'who' of learning and innovation. We are reimagining the approach to 'why' we learn and innovate as we enter current and future crises. Globally, we are facing the threat of economic, social and environmental collapse, and we need different capabilities and ideas to respond to these interrelated challenges. We are reimagining 'what' and 'how' we learn to innovate. We are living longer lives in which we are changing careers and experience great technological acceleration. We need to invest in a different set of future-proof capabilities and build these through action-based learning. We are reimagining the approach to 'who' learns and innovates. Our systems rely on a one-size-fits-all model that fails to unlock the full potential of learners and entrepreneurs from disadvantaged groups. The new awards will work particularly hard to engage and include these groups. The new awards will be open to secondary schools, adult-learning providers (formal and informal, curricular and extracurricular) and entrepreneurship programmes, to enhance their cohorts' learning and innovation outcomes through responding to real-world missions, engaging in on-demand and digitally enabled and badged-learning experiences, and accessing mentoring and seed funding opportunities.

We are reimagining the approach to **'why' we learn and innovate** as we enter current and future crises.

Prosperous Places

Local Prosperity Plans

In September 2023, the RSA and partners launched the UK Urban Future Commission's final report on how to unleash the potential of the UK's cities outside of London. The launch was attended by close to 100 representatives of the public, private and third sectors attending in person, and close to 200 more watching online. The report received coverage in national and local press, which included Andy Haldane speaking to Channel 4 News, the BBC's *Today* programme and Andrew Marr's show on LBC.

The subsequent phase of work is focused on partnering with places to implement the report's recommendations, most notably around the need for a local prosperity plan. Our first partner was the shadow North East Combined Authority. The focus of the work was helping develop and stress-test their nascent Investment Plan. This involved detailed analysis and a series of workshops with participants across the North East, ranging from public-sector anchor institutions to institutional investors.



A final report detailing the findings of our work and seven recommendations was submitted in March and is due for publication later in 2024. In line with our target outcomes, this focused on defining a clear narrative and metrics for the region and made suggestions for distinctive delivery propositions at scale that have already garnered interest from investors. A recommendation for places to have a statutory obligation to produce local Prosperity Plans was adopted by the Labour Party, while the Conservative Party included our call for local areas to set up Urban Wealth Funds.

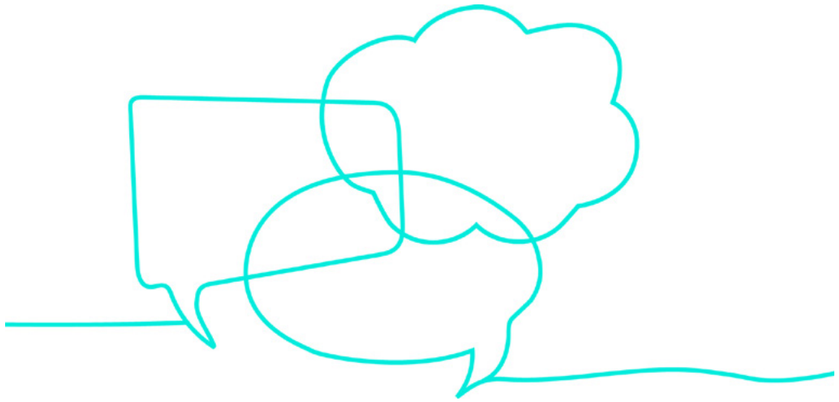
Recommendations from the UK Urban Futures report feature in **political parties' manifestos.**

Innovation Corridors

The RSA's Creative Corridors intervention has combined thought leadership and practical action to deliver impact. We partnered with Arts Council England (ACE) and the Creative Industries Policy & Evidence Centre (Creative PEC) to design a toolkit for nurturing creative corridors. Concurrently, work has progressed on devising a practical plan to set up a Creative Corridor in the North of England. This was undertaken in partnership with a coalition co-chaired by Andy Haldane, Tim Davie (Director-General, BBC) and Tracy Brabin (Mayor, West Yorkshire Combined Authority), consisting of senior figures from the creative industries in the North who were all signatories to a charter published in November 2023 pledging ongoing commitment to the work.

Ten workshops were held over December 2023 and January 2024 to socialise the concept of a corridor, generate an evidence base and support the development of policies. In line with our intended outcomes, the Northern Creative Corridor leg of the work culminated with Metro Mayors across the North of England assuming full ownership of a corridor plan under the banner 'One Creative North.'

Metro Mayors across the North of England are assuming full ownership of a corridor plan: **One Creative North.**



Social Infrastructure

Digital Badging

Digital badges have found their niche globally to motivate, reward and recognise learning in multitudes of contexts delivered by diverse learning providers (Higher Education, Further Education, independent learning providers and employers), but particularly for non-formal learning. The RSA's Cities of Learning programme successfully utilised digital badging technology to award learners in non-accredited learning contexts, skills gained that were directly sought for in their city. The Digital Badging Commission will aim to address challenges that have arisen around the proliferation of digital badges, particularly in relation to the quality of the metadata that underpins them and supporting QA frameworks. It will review international case studies, including national credit-based systems for skills, interview key stakeholders and bring together leaders in skills strategy and digital credentialing systems. By 2025, the Commission will have reported a set of recommendations based on its work, including the alignment of digital badges with a national skills wallet and frameworks that will build trust with employers and learners for a scalable system fit for a shifting skills landscape.

Social Connections

Over 2022/23 and into 2024, the RSA has formed an exciting partnership to replicate cutting-edge US research on social networks in the UK. That work will be delivered this year and will become an important addition to our growing toolkit for measuring economic, social and natural capital. It will support work both at a national level and with partners in place. At a national level, it will allow us to explore the impact of existing policies and interventions to boost social capital, and it will help us and others better target interventions to where they are most needed, as the work by Chetty et al has done in the US. In both the US and the UK, we will partner with local leaders to develop a richer picture of local contexts and design interventions to boost social capital. As the number of local partnerships grows on both sides of the Atlantic, we will bring participants together to share experiences and to learn from one another.

Social Connections will become an important addition to our growing toolkit for measuring economic, social and natural capital.

Global

The global focus in 2023/24 was implementing the new global strategy. This global approach is designed to maximise our social impact by focusing our activities through three initiatives:

1. Network of Networks

Network of Networks (NoN) is the RSA's approach to scaling interventions globally, while ensuring they remain locally led. It seeks to help to construct the network necessary to deliver an intervention in a place, and then to link all place networks so that they can learn from one another. In 2023/24, we launched the first pilot NoN intervention with Social Connections, which is being delivered in both North America and the UK.

In North America, RSA US built upon the groundbreaking social mobility work of Opportunity Insights and its founder Professor Raj Chetty, convening a network of over 100 social capital practitioners and funders. RSA US began to draw the connective tissue between this group to unlock transformational funding, knowledge and experience, with the aim of incubating the nascent field of social capital and scaling the impact of initiatives to grow social connections. This phase of work culminated in Professor Chetty being awarded the Benjamin Franklin Medal in May 2024. The UK is at an earlier stage, both in the work and the building of its network. A project to replicate the US research in the UK, in partnership with the Behavioural Insights Team and Nuffield Trust was launched in 2023/24.

We are also seeding RSA Spark as a second NoN. A pilot is underway in the Oceania region through a partnership with the Royal Melbourne Institute of Technology, exploring the role universities and higher education institutions can play in the transition toward regenerative futures across teaching, learning and innovation.



THANASI ASIMAKOPOULOS

This phase of work culminated in **Professor Chetty being awarded the Benjamin Franklin Medal** in May 2024.

2. Regional Growth

The RSA Affiliates have been working in other ways to deepen our Design for Life impact in place.

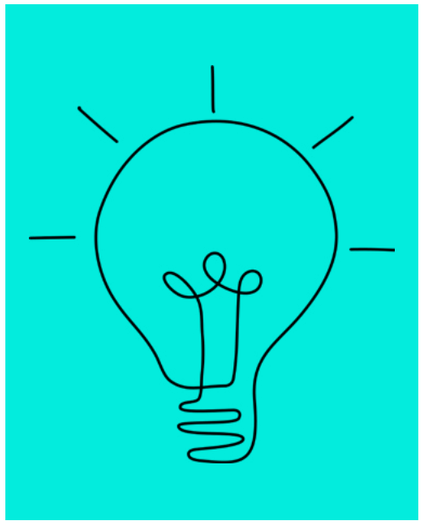
Over the course of 2023/24, RSA US has focused on systemising their funder pipeline, investing more energy into the Research and Design programme, sense-making, thought leadership, offer development and approach. This has resulted in 49 virtual and in-person events hosted by and in partnership with Fellows across the nation and in some cases around the globe. Attendance at these events varies and is typically between 20 and 30 participants along with more than 600 views of event recordings.

RSA Oceania launched Series Two of the 'ReGeneration Rising' podcast, which has reached over 50,000 listeners since the first series was released, expanding awareness of the RSA's regenerative mission and positioning the RSA as a thought leader in this space. This past year also saw the launch of the landmark Fiji Junior Fellows Initiative, sponsored by the University of Fiji and supported by the British High Commission, which welcomed the first cohort of five young Fellows. This initiative offers a new route to Fellowship growth and impact in the Pacific region through a long-standing regional partner, with plans to extend the initiative across the region.

This past year saw the launch of the **Fiji Junior RSA Fellows Institute** which welcomed its first cohort of young fellows

3. Strategic Opportunities

The RSA began working with the UK Department of Business and Trade as a content partner for the UK's Pavilion for the World Expo in Osaka in 2025. The first phase of this work was completed in March 2024. Through this collaboration, we anticipate 6 to 12 million people will interact with the Design for Life mission through the Expo. This opportunity is our first workstream for expanding our impact to the Asia-Pacific region in the coming year, where we aim to bolster our Fellowship network and explore new programmatic opportunities. Further work is planned over the first half of 2024/25 ahead of the Expo in April 2025.



Fellowship

In alignment with our 'global by default' strategy, our Fellowship now spans c.100 countries, with nearly 31,000 members from diverse backgrounds.

These Fellows bring different expertise and lived experiences, but all share a common goal: to create social good through our Design for Life interventions and support causes they care about. Our recruitment this year saw 2,957 new Fellows joining: a slight decrease compared to last year's record-breaking intake. However, we continue our upward trend compared to previous years, maintaining steady growth.

The financial climate has posed challenges to retaining members, but we have proactively addressed this. We provided 777 discounts or partial bursaries to help Fellows renew their membership, representing a 46 per cent increase from last year. This demonstrates our commitment to supporting our community and ensuring Fellows can continue contributing to our goals, despite external challenges.

30,795
Global Fellowship size

Enhancing Engagement and the Fellowship Experience

Over the past year, we have expanded engagement opportunities for Fellows, tailoring them to various time commitments, interests and areas of expertise. Our goal is to make it easier than ever for Fellows to engage in ways that suit them. This year, 10,174 Fellows actively engaged with us across a variety of platforms and activities, including local Fellowship events, one-on-one engagements, surveys, correspondence, RSA Connect meetings, Coffees with the the CEO sessions, both the 2023 and 2024 Fellows Festival, Fellowship Council meetings, the Youth Advisory Group and services enquiries.

We introduced quarterly Pulse surveys that help track how we are delivering an outstanding Fellowship experience and creating social impact. This survey asks Fellows whether they are able to forge new connections, learn new skills and share their expertise to support micro-communities, gain hands-on involvement in our Design for Life initiatives and support social causes they care about.



LAURA AZIZ

Connecting through Circle and our Micro-Communities

In April 2023, we launched Circle, our community platform for Fellows to chat, connect and collaborate directly with one another. This initiative was born out of feedback from Fellows, who expressed a need for easier ways to connect across geographies and interests. Since its launch, Circle has gained 4,028 registered users, and we have seen engagement rates that compare favourably with industry benchmarks.

Circle allows Fellows to join micro-communities based on where they live, their shared interests, their identities and our Design for Life initiatives. In year one, we have already had good success with this, as seen with the creation of the Responsible Artificial Intelligence Network. The network emerged from Circle discussions and has grown rapidly to include 500 members. The goal of Circle is to make it easier for Fellows to connect directly with one another. Phillip Ward, the Sustainability Network Lead, emphasised the platform's impact, stating, "Circle has been crucial for enabling Fellows to communicate and collaborate effectively. It's helping transform our approach from centralised broadcasts to dynamic, interactive exchanges, enhancing the network's reach and engagement."

Circle also offers designated area spaces, facilitating local connections and enabling Fellows to engage directly with area managers and local peers. This feature has strengthened connections at the local level, making it easier for Fellows to initiate and participate in regional activities and discussions.

10,174
Fellows actively engaged and providing feedback

Connecting locally and globally

This year, we have focused on making the RSA more distributed in response to two-thirds of the Fellowship now being based outside of London. In the last year, 69 per cent of new Fellows joined from outside of London, and 20 per cent came from outside the UK.

4,318
Individual interactions with Fellows

4,028
Fellows on Circle

15
RSA Connect visits outside of London



While we know coming to RSA House is a special experience, we also know that Fellows want to gather with other Fellows where they are based. To support this, we launched 11 collaborations with co-working spaces and venues across the UK, providing Fellows with spaces outside of London to meet, connect and collaborate. We hope to expand this further afield as we grow. We also retained an active programme of local activities, including 249 local meet-ups over the past year, engaging 3,455 individuals globally.

Fellows Festival

Following the success of our 2023 Fellows Festival, the 2024 Fellows Festival took place at RSA House in London in February, attracting over 400 attendees and many more online. Reflecting our global ambitions, the festival also incorporated area festivals across the UK as well as satellite gatherings in the US, Oceania and Italy, allowing Fellows worldwide to engage. The theme of courage resonated throughout the festival, with keynote speeches, panel discussions and workshops focusing on brave actions that shape society.

RSA Connect

To further our goal of reaching out across the whole of the UK, we launched RSA Connect in February. This initiative saw executive staff, including Chief Executive Officer Andy Haldane, travel to 15 cities over two months to meet Fellows where they are. These visits focused on facilitating discussions around Fellowship experiences and Design for Life initiatives. RSA Connect will continue throughout 2024/25. Tom Morris, a Fellow who attended an Edinburgh session, said, "Well done today in Edinburgh, greatly appreciated, and really recharged my sense of Fellowship and connection." Daniella Levins, a new Fellow from Glasgow, added, "It was so valuable to meet the faces behind the organisation, making the experience of being a Fellow much more personal and meaningful!"



LAURA AZIZ

249
Events in 2023/24

The Next Generation

We have made significant progress in diversifying the Fellowship over the past year. In July 2023, we launched our Youth Fellowship offer, lowering the cost barrier to entry for those aged between 18 and 25 years old. Since then, we have doubled the number of Young Fellows to 497. We also established a Youth Advisory Group, launched a Young Fellows Network on Circle and started a youth mentoring pilot, pairing up Fellows across age groups.

Wensupu Yang, a new Young Fellow, described one of his first meet-ups: "Aside from being high achievers, the [youth] group's vibe is so open and friendly. Even though we just met, everyone immediately tried to help everyone else, sharing contacts, connecting resources, bouncing ideas and giving encouragement. In a sense, it's 'peer pressure of the best kind.' Nobody is playing the zero-sum game, and we all genuinely try to support each other."

Learning about Design for Life and Partnering with RSA

One of our goals is to get more Fellows involved hands-on in our Design for Life Interventions, learning more about our work and collaborating with them based on their level of expertise and interests. Over 2023/24, we have been off to a good start: 47 per cent of Fellows reported that they knew how to get involved in the Interventions that suited them best.

166%
Increase in Fellows aged 18–25 since April 2023



CARMEN VALINO

During the year, we offered a mix of engagement opportunities around our Design for Life work. We ran monthly Coffee House sessions, allowing Fellows to learn more about our interventions and dive deeper with in-house experts and partners. Topics covered included Urban Futures, Cities of Learning, the RSA Spark, Playful Green Planet, the Design for Life Outcomes Framework, Digital Badging and our Capabilities for Life curriculum. At the Fellows Festival and at our Fellowship Townhalls, Fellows also had the opportunity to participate in workshops centred around Social Connections and Playful Green Planet.

In the spring, we ran an open call for applications to join our Capabilities for Life (CfL) Faculty Group, and we now have a group of Fellows who are committed learning facilitators and forward thinkers from around the globe. Throughout the summer of 2024, this group will collaborate with our Design and Innovation team to co-create engaging and inclusive learning experiences. These experiences aim to empower learners of all ages to foster the capabilities, capacity and collaborations necessary for driving impactful change. We will be expanding more ways to get involved over the next year, as more of the Interventions come to fruition.

Working with the RSA Fellowship

This year, the RSA's Fellowship has continued its legacy of championing innovation and social progress by supporting and funding projects that drive positive societal change. One way we hold ourselves accountable to this legacy is how effectively we help Fellows support the social causes they care about. Our work this year has focused on fostering connections, enhancing skills and encouraging Fellows to apply their expertise to various initiatives. As a result, 25 per cent of Fellows felt that the RSA Fellowship has helped them support such causes, reflecting our impact on nurturing positive change across society.

Catalyst Awards

One of the key ways in which we have supported progress over the last year has been through our Catalyst Awards cycle, in which we awarded a total of £62,000 to 11 innovative social enterprises across the globe. The grants, distributed among six seed grants (£2,000 each) and five scaling grants (£10,000 each), supported a diverse array of projects from Africa, India and the UK. Notable initiatives include Aakeen Parikh's biodegradable period-product venture in Rwanda and Dr William Beharrell's health-improving Making Well project in the UK.

In addition to financial support, we also facilitated a Regenerative Learning Journey for all grant recipients, enhancing their projects with sustainable practices through dedicated workshops and mentorship.

Looking ahead, we plan to merge the Catalyst programme with the Pupil and Student Design Awards, aiming to create a larger and more comprehensive educational and developmental platform. This unified approach will foster innovation and nurture mission-led enterprises for a regenerative future.

£62,000
Awarded to Fellowship projects through Catalyst Awards

8
2024 Fellows Festival locations

11
Co-working agreements outside London

Day One Manifesto

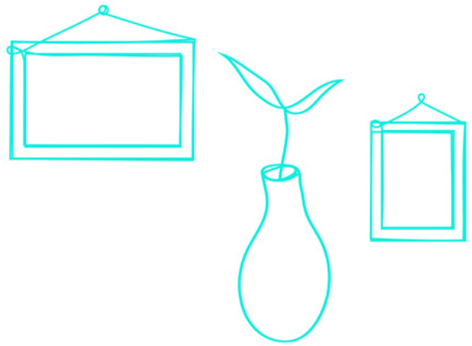
In the autumn, we asked the Fellowship for their views on what a new Government's agenda should be from day one, in anticipation of the upcoming UK General Election and amid a globally significant year with over 50 high-stakes elections. We received over 300 submissions from the Fellowship, addressing a range of areas, including health, climate, education and more. This Fellow-led project launched in July 2024.

What comes next?

After a successful year marked by significant enhancements in engaging our Fellows, our ambition will only continue. As we gradually improve and expand our engagement opportunities, our focus is to foster deeper connections, support the learning of new skills and facilitating the sharing of expertise among our global community so that together we can increase our social impact through our micro-communities, Design for Life Interventions and by supporting other social causes important to our Fellowship.

Spotlight: Catalyst Awards

- **VRISE:** This Virtual Reality Interview Skills Enhancement project revolutionises interview training with VR tech, boosting performance and confidence among unemployed individuals in Northamptonshire, addressing high unemployment rates to spur economic growth.
- **Microbusiness Incubator for Women with HIV/AIDS in Rural Kenya:** This initiative empowers women to establish small businesses, utilising the Street Business School curriculum to impart skills and create sustainable income streams, fostering independence and resilience.
- **Subversion Diaries:** Documenting narratives across the Global South, this initiative builds an archive of Feminist Foreign Policy practices, guiding inclusive diplomacy and reshaping perspectives.



Assets

Our Design for Life mission encompasses our Fellowship, interventions and our assets. Our assets include our people, platforms, heritage and our House.

Working together, our assets enhance our impact, directly supporting our Fellowship and Interventions to convene and connect. This alignment of our assets and the collaborations and partnerships between different people pool our diverse assets, creating synergies that lead to the RSA creating greater impact and uniting people and ideas in collective action to unlock opportunities to regenerate our world.



LAURA AZIZ

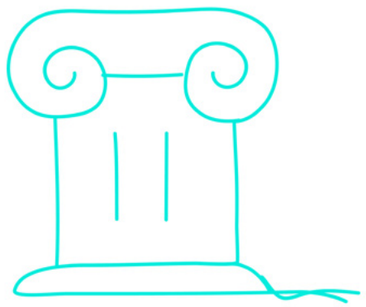




RSA House

LAURA AZIZ

This year we celebrate 250 years at RSA House, as the RSA's physical 'home'. RSA House continues to be an exciting and engaging space for Fellows, our staff and guests to convene and unite in collective action.



Working with our partner, Company of Cooks, RSA House continues to flourish, offering new and innovative ways to bring people together.

This past year has seen a record-breaking number of visitors to RSA House, with more than 100,000 guests enjoying events, collaboration and relaxation in our beautiful heritage home in the heart of London.





Our renovated Coffee House, launched in September 2023, has proved hugely popular with our Fellows and guests and, as our environmental reporting also shows, embodies our commitment to rebalanced and regenerative futures. Improvements to the look and feel across the wider House, which include the introduction of new artworks and the showcasing of key elements of our heritage – alongside space to enjoy our extensive library offer – make the RSA a lively meeting point for creative, collaborative conversations.

Over 2023/24, we have increased our emphasis on the Arts in RSA. This has included exhibiting work in the House – from abstract oils on canvas to tapestries – by a number of artists, many of whom are Fellows, and the curation of stimulating and unique events, offering guests the opportunity to explore their creativity. Over 60 new and inclusive events – including art exhibitions, life drawing, poetry open mic, paper-flower-making and intimate music nights featuring the very best in independent talent – have attracted more than 1,000 people since the programme began.

Over 60 new and inclusive in-the-House events have attracted more than **1,000 people**

RSA House had more than **100,000** visitors over the past year

At the RSA, we recognise the value in collaboration and community – and the meaningful connectivity we gain in working with and collaborating with other charities and organisations that align with our mission. Some of our new partner organisations over 2023/24 have included Gigappy, bringing musicians and venues together; Art Friend, making art accessible, inviting and fun by showcasing and celebrating art from artists of all backgrounds and identities; theCOLAB, connecting people, land and art, and creating opportunities for artists to use unusual spaces for exhibitions; SHORTIES, a female-led platform celebrating women's achievement in filmmaking; and the Royal Society of Literature (RSL), one of the most renowned learned societies in the world, which, since its foundation by King George IV in 1820, has supported writers and readers at every stage – and continues to work towards the development of a more inclusive cultural landscape.

COMPANY OF COOKS

A VERY SPECIAL THANK YOU TO RSA FUNDERS AND OUR PARTNERS 2023–24

Our partners are a vital part of the RSA's community of changemakers. Their strategic and financial support is crucial to the RSA's ability to make impact through our Design for Life mission.

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Our people



An independent review undertaken in December 2023 into staff diversity and pay equity for those with protected characteristics stated: "In overall terms, this analysis of diversity information indicates that the RSA is an exemplar employer for staff diversity."

The RSA's pay policy is to award an annual across-the-board pay increase, depending on affordability within the parameters of a breakeven operating budget. Those identified as high performers and those promoted receive additional compensation. All staff, excepting the Executive Team, received at least a £1000 pay award in April 2023. Thirty per cent of staff received a pay award greater than £1000 and the average salary increase awarded was 5%, with those with collective bargaining union representation (staff below Heads of Team level) seeing an average of a 6% increase.

A minimum salary of £25,500 per annum was introduced in FY 23–24, which is significantly above both the National Living Wage and London Living Wage. The RSA remains an officially accredited London Living Wage employer.

Independently commissioned salary and benefits benchmarking demonstrates that the RSA offers a competitive salary and benefits package versus the comparable market. Wellbeing initiatives benchmark at the top end.

The Independent Workers' Union of Great Britian (IWGB) has recognition for collective pay bargaining for staff below Heads of Team level.

An independent staff survey undertaken in February 2024 provided the following results, from an outstanding participation rate of 92%:

- **80% of staff agree or strongly agree that their manager, or someone at work cares about them as a person.**
- **77% of staff agree or strongly agree that their manager creates an environment that is trusting and open, and that they are involved in setting their own work goals.**
- **76% of staff agree or strongly agree that people are treated fairly, regardless of ethnic background, race, gender, age, disability or other differences not related to job performance.**
- **72% of staff agree or strongly agree that colleagues are committed to doing high-quality work.**

16%
of staff promoted or receiving a responsibility increase

20%
of staff work flexibly

12%
of staff work part-time



GEORGIA SPOONER

The RSA continues to focus on staff development. In the financial year 2023–24, 16% of our people were promoted to the next grade or were formally recognised for a significant increase in responsibility. Over 50% of staff were engaged in formal externally procured classroom and online training including active bystander, diversity and inclusion, management development and safeguarding, and a range of compliance training, such as data protection and health and safety. Formal training is supplemented by a range of internal development opportunities run by colleagues for colleagues and four formal thematic staff participation spaces offer opportunities for our people to actively contribute to and develop organisational life. We continue to fund job-role-linked professional fees.

London Living Wage employer: minimum salary
£25,500
per annum

70%
of staff are women, percentage reflected in Executive Team

8%
of staff from the LGBTQ+ community

7%
of staff state that they are a disabled person

26%
of staff from minority ethnic backgrounds*

** reflecting the Office for National Statistics (ONS), statistics of the London working populationsince April 2023*

Heritage

While the RSA looks to the future with excitement and ambition, we also continue to honour our groundbreaking and innovative tradition in designing for life – and we strive to uphold its values as this year we celebrate **250 years at RSA House**.

From initiating the Great Exhibition of 1851, the first world's fair, to the Festival of Britain in 1951, uplifting innovation and the spirit of a nation in the aftermath of World War II; from inventions to promote social equity and efficiency to celebrating the contribution of design through the Royal Designer for Industry Awards; from reforming examinations to empowering workers and women into education; from the Blue Plaque scheme to our campaign to institute the now-iconic Fourth Plinth in Trafalgar Square: the RSA has a history of intervention to improve society, recognise innovation and embrace optimistic and courageous progress.

As well as our backstory of intervention for the betterment of society, our House itself, designed by brothers James and Robert Adam as part of the Adelphi development and occupied by the RSA since 1774, is itself a hub for positive change, where past meets present in creative conversations that originate from curiosity – and a site of remarkable aesthetic accomplishment: on and within its walls can be found an array of treasures, including James Barry's stunning mural, 'The Progress of Human Knowledge and Culture' in The Great Room; Antonio Zucchi's 'Pan celebrating the feast of Bacchus' and 'Maidens dancing around a herm of Pan' in the Prince Philip Room; the exquisite flower paintings of Mary Moser, which were recently loaned to Tate Britain as part of their *Now You See Us: Women Artists in Britain 1520–1920* exhibition; and Edward Lear's *Parrots* Books.

The RSA has a history of intervention to improve society, recognise achievement and embrace progress with **optimism and courage**.

During 2023/24, the Archive assisted visiting scholars from leading institutions across Europe and North America, including Oxford, Cambridge, the Russell Group, the Royal College of Art, the Sorbonne, Duke, Columbia and Yale. Bookings to visit the Archive can be made by our Fellows and members of the general public. Annually, we welcome all to RSA House at our London Open House Festival, offering a chance to explore our storied building and to get up close to our legacy.

Over 2023/24, we sought to make a practical and affectionate gesture to our past in anticipation of celebrating 250 years of the RSA at John Adam Street, creating our modern-day Blue Plaques situated around the House, which offer our Fellows and guests access to the history of our rooms and heritage, and the remarkable personalities for whom they are named or whose artworks grace the space.



Communications

The *RSA Journal* continues to be recognised as a leading print title, while also expanding its digital ambitions. Along with agency partner Wardour, the *RSA Journal* was recognised at three awards ceremonies over the year, winning four awards in total:

- **MARCH 2024**
  Corporate Content Awards 2024
  Silver for Best Use of Print, Bronze for Best Branded Content Publication, and Bronze for Best Long-Term Use of Content.
- **NOVEMBER 2023**
  CorpComms Awards 2023
  Gold for Best Publication.
- **SEPTEMBER 2023**
  Summit Creative Awards 2023
  Two Golds in the Journal/Magazine and Craft Direction categories.

Judges at the Corporate Content Awards 2024 described the *RSA Journal* as a "beautifully crafted magazine", while highlighting the quality of research in the publication and its "clear objective".

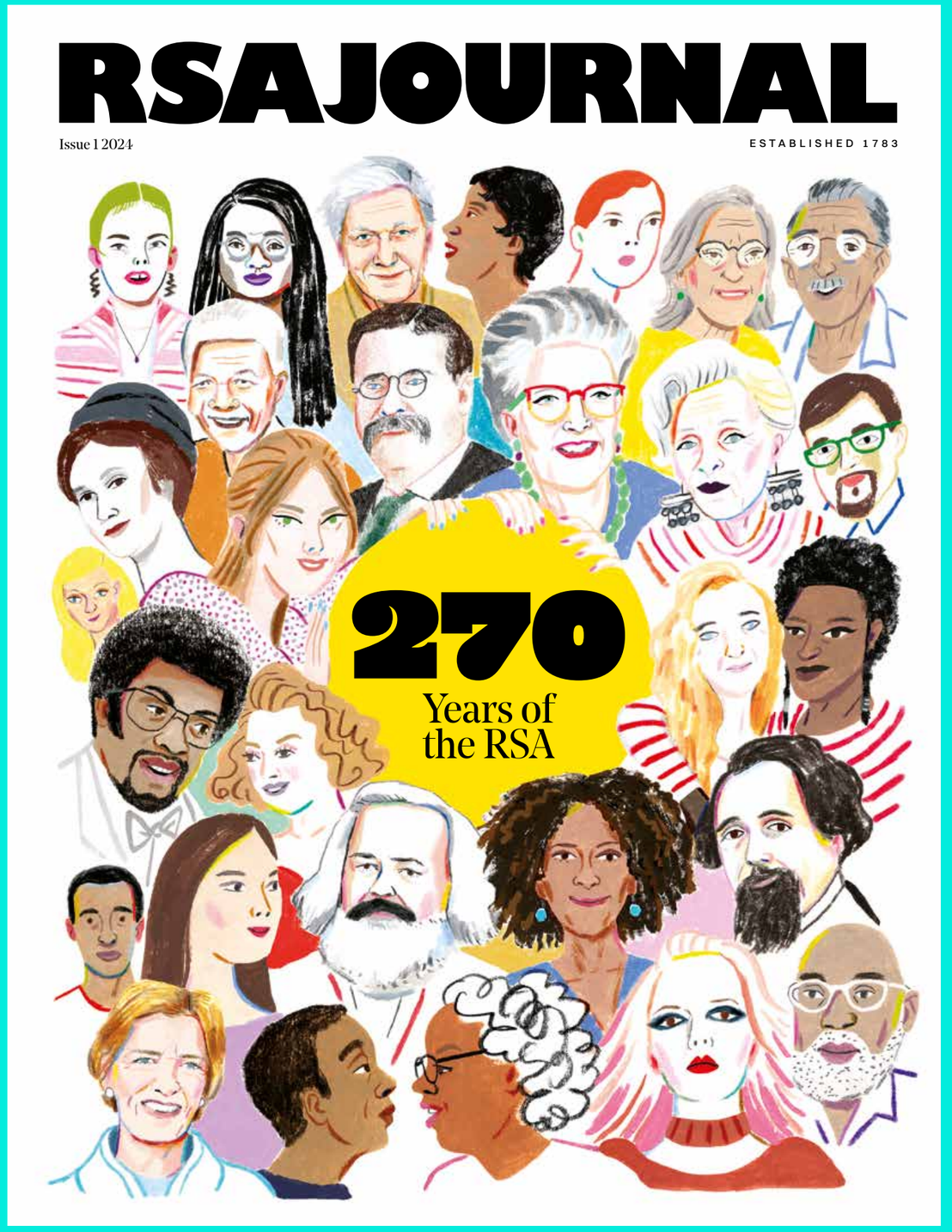
In September 2023, the contract to produce the *RSA Journal* was put out to tender, with Wardour, the incumbent agency, proving successful following a detailed tender process conducted over three months. The *RSA Journal* has subsequently been redesigned, with the new look introduced for the RSA's special 270th anniversary issue. At the same time, digital *RSA Journal*content has been significantly revised, with an investment in content creation, ensuring more filmed interviews, video previews and animated content. This has proved particularly successful on social media, with digital *RSA Journal* content becoming some of the RSA's most engaged pieces across the RSA's social media channels, growing our followers and significantly increasing global engagement.

2,000
people came to RSA House for an event in person in 2023

The RSA public events programme went from strength to strength in 2023. Two thousand people came to RSA House for an event in person, and more than 7,500 joined us online for a livestream. The RSA YouTube channel received more than 3.7 million views, and our lifetime video views now stand at 129 million.

Fully digital and hybrid formats, and partnerships with organisations ranging from Ipsos Mori to the London Sustainable Development Commission, allowed us to share truly global expertise with growing global audiences. RSA YouTube subscribers grew to over 777,000, and our global viewership is now split 52.2% female to 47.5% male, with the highest audience in the age group 25–34 years old, and the top-highest viewing countries ranging from the USA to Singapore, India, South Africa and Spain.

RSA YouTube subscribers grew to over
777,000



6.5 Communications



LAURA AZIZ

Global insights were shared by speakers from around the world, including Colombia, Kenya and the Seychelles. And young speakers took centre-stage throughout the year, featuring prominently on a range of themes, from nature stewardship to creative entrepreneurship at events from the annual President's Lecture to the celebration of 100 years of the Student Design Awards. Our annual *What Could Go Right?* theme was enthusiastically taken up by speakers across the year, including at the 2023 Fellows Festival in June.

Young speakers took centre-stage throughout the year, featuring prominently on a range of themes from nature stewardship to creative entrepreneurship at events from the annual President's Lecture to the **celebration of 100 years of the Student Design Awards.**

In her keynote 2023 Fellows Festival speech, the Culture Secretary Lucy Frazer praised the RSA as "one of our great institutions", finding common cause with our mission to discover, nurture, and release the potential in everyone. In a vibrant and inclusive Fellows Festival, rich in world-class speaker content, contributors took to the stage in London and joined online from across the globe, from San Francisco to Poland. Young voices included environmental activist Mya-Rose Craig and Charlie Beattie, the youngest member of the People's Assembly for Nature, who were joined on stage by the Chief Executive of WWF-UK, Tanya Steele, and climate and mental health campaigner Charlie Hertzog Young. Speakers included prominent figures such as Arts Council CEO Darren Henley, Creative Director of Bradford 2025 Shanaz Gulzar, Director-General of the British Chambers of Commerce Shevaun Haviland, Jo Swinson from Partners for a New Economy and Sebastian Payne from Onward.

Our series of 'nature game-changer' conversations featured the world-renowned economist Sir Partha Dasgupta and food systems reformer Henry Dimbleby. One of the highlights of the day was a behind-the-scenes look at the BBC's recent nature documentary series *Wild Isles*, with series producer Hilary Jeffkins. The day ended with a moving and uplifting session on changing the climate story from writer Rebecca Solnit and was skilfully co-hosted throughout by BBC journalist Julia George and Martin Wright FRSA from *Positive News*, who interviewed an inspiring range of Fellows, from climate finance expert Chidi Oti Obihara to educationalist Meena Wood.

Continuing with our theme of *What Could Go Right?*, the highlight moment of our week as flagship hub for London Climate Action Week in June was the launch of London's *Just Transition* report, which featured a high-level panel chaired by Andy Haldane, alongside report author Malini Mehra and Hannah Martin from Green New Deal Rising.

The close of the Pupil Design Awards and Student Design Awards in 2023 was celebrated by welcoming the inspiring young winners to RSA House, for a joyful ceremony and a keynote address from UNEP Champion of the Earth and design disruptor Dr Leyla Acaroglu, who spoke on designers' role in creating the cultural conditions for positive social, economic and environmental change.

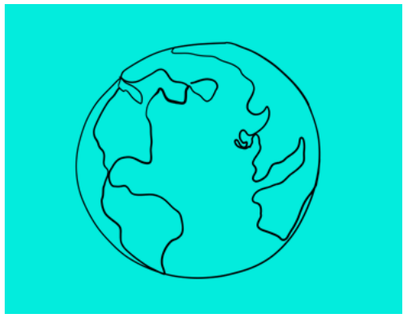


LAURA AZIZ

Environmental

We now use cardon dioxide equivalent to measure our consumption.

Following the pandemic, 2023/24 was the first year in which we could fully measure our consumption from occupancy in RSA House, together with our hospitality business and events in full flow. Staff hybrid working shows greatest occupancy mid-week, and this is also the case for hospitality and event bookings.



Travel

Short-haul flights have increased, and this is, in part, due to a rise in our collaborative work with regional bodies around the UK and in Europe. Land travel (road and rail) has decreased, and this could be attributed to the increased use of virtual-meeting technology.

Energy and recycling

Natural gas consumption (for heating) has fallen, due in part to the warmer weather we experienced, and electricity consumption has also fallen, due in part to greater control of infrastructure services across the building.

Waste shows a slight increase and is broadly consistent with the previous year.

In-house, we remain committed to upgrading our infrastructure and investing in energy-saving technologies and systems, and this will continue for the foreseeable future. In keeping with our regenerative ethos, we repurpose our furniture and purchase second-use furniture whenever and wherever possible.

		2023-24		2022-23		
Category	Emission Source	Consumption	t CO_2e	Consumption	t CO_2e	% Change to Previous Year
Utilities	Natural Gas (m3)	31,876.00	64.98	56,412.00	114.99	-43.49
	Electricity (kWh)	518,849.00	0.00	581,526.90	0.00	-10.78
	Water – Supplied (m3)	2,266.58	0.40	2,331.29	0.41	-2.78
	Water – Waste (m3)	2,153.25	0.43	2,214.73	0.45	-2.78
Waste	Of which, Recycled Materials (tonnes)	3.05	0.06	2.99	0.06	2.18
	Of which, Energy from Waste (tonnes)	3.19	0.07	3.12	0.07	2.24
Travel	Flights – Short Haul (UK & Europe) (km)	19,159.19	3.56	9,343.83	1.74	105.05
	Flights – Long Haul (Rest of the World) (km)	0.00	0.00	11,501.95	3.01	-100.00
	Trains (km)	117,563.90	4.17	123,901.48	4.39	-5.12
	Road Journeys (km)	11,215.49	1.87	20,853.83	3.49	-46.22
TOTAL			**75.55**		**128.60**	**-41.25**

**t CO2e – tonnes of carbon dioxide equivalent gases and is the GHG protocol standard that measures seven greenhouse gases*

In November 2023, the RSA launched its new Environmental Policy, setting out our commitments to ensure that the environmental practices of RSA's People and RSA House are actively in line with our Design for Life mission to enable people, places and planet to flourish in harmony. The commitments set out in the Environmental Policy are focused on ensuring that the RSA's environmental practices are consistently sustainable and, wherever possible, aim to make a regenerative impact.

The policy ushered in the creation of a Regenerative Environment Working Group at the RSA to focus on the implementation of recommended actions and to consider new initiatives the RSA might adopt internally to amplify the organisation's regenerative environmental impact.

A key focus for the working group over the next twelve months will be to develop a dashboard to enable more open and transparent reporting on the organisation's environmental impact.

Simultaneously, in 2023 the RSA signed up to the Westminster Sustainable City Charter, an initiative developed by Westminster City Council for local businesses to access resources and work together to reduce the carbon emissions of their buildings by 2040. The Charter is a business-led pledge that contains eight commitments for reducing carbon emissions from non-domestic buildings. We are looking forward to working with Westminster City Council and other pledged businesses to achieve positive environmental change over the next decade.

The Sustainability Strategy for Company of Cooks, our Catering Partner

CH&CO, under the Company of Cooks banner, has enhanced its sustainability commitments over the past year and has obtained an award from Planet Mark for its Sustainability Report.

Company of Cooks' Community, Craft, Creativity strategy has integrated sustainability into the heart of their operations here at the RSA. The RSA and Company of Cooks continue to work with food recovery app Too Good To Go. The free app, which connects venues with customers, aims to reduce unnecessary waste by offering great deals on surplus food and promoting a more sustainable approach to hospitality.

With the RSA, Company of Cooks has committed to sourcing only British cheese and meat

With the RSA, Company of Cooks has committed to sourcing only British cheese and meat, only serving fish rated as 'good to eat' by the Marine Conservation Society, and avoiding airfreighted fruit and vegetables. Sixty-two per cent of all food and drink purchased by Company of Cooks comes from the London Larder, a consortium of local independent suppliers that share its values to minimise food miles.

Company of Cooks and the RSA works with Well Grounded, a social enterprise that helps people into work as baristas, providing placements for those undergoing the training programme. The first Well Grounded barista to join the scheme at the RSA Coffee House graduated in 2023; since then, the RSA and Company of Cooks have continued to host work placements in the Coffee House for new recruits. Alongside Company of Cooks's active role in the social enterprise, it donates £2 to Well Grounded for each kilo of coffee purchased by visitors to RSA House. The donation currently stands at over £2000.

This year, Company of Cooks has refreshed its approach to sustainability at the RSA, with a dedicated plan to embed sustainability into all operations. This has included a sustainability workshop for the Company of Cooks Team to develop their green skills, building a new sustainable wedding package and relaunching menus to feature more lower-carbon food. Our recently refurbished and relaunched Coffee House has enhanced its menus over the past year and has brought a more creative approach to its offering. The Coffee House's regeneration wall is regularly updated, displaying a range of the initiatives that are helping to make a positive difference to our world.

62%
of all food and drink purchased by Company of Cooks comes from the **London Larder**

COMPANY OF COOKS



PETAR SEMERDZHIEV

Every day I learn something new,
and I can feel I move forward little by little...
That makes me feel happy... feeling someone cares about me, helping me to achieve my dreams, and most importantly I have met a bunch of amazing people.

Chieh, RSA Well Grounded Graduate, 2023/24

FINANCIAL REVIEW

2023/24 Overview



For the financial year 2023/24, we reported a deficit of £0.7 million (2023: £0.1 million surplus) before accounting for investment gains of £1.9 million (2023: £1 million loss).

Our general reserves remain robust at £9.7 million (2023: £8.7 million).

Whilst we seek to run a balanced operational budget, general reserves also allow us to implement new strategic priorities and invest in areas such as our digital estate.

Fellowship donations increased by **10.8% to £6.4 million**

Income

Total income experienced a modest decline, decreasing from £12.9 million to £12.5 million. Despite this, specific income streams showed significant growth:

- **Fellowship donations** increased by 10.8% to £6.4 million.
- **Trading activities** rose by 18.9% to £4.2 million.

However, other income streams saw decline:

- **Other donations and legacies** fell to £0.1 million (2023: £0.7 million).
- **Programme of projects income** decreased to £1.1 million (2023: £2.2 million).

Trading activities rose by **18.9% to £4.2 million**

7 Financial review

Expenditure

Total expenditure increased from £12.8 million in 2022/23 to £13.2 million, driven mainly by the growth in trading and Fellowship activities. In contrast, programme expenditure declined, aligning with lower funding levels. Additionally, £0.2 million was allocated for major repairs and maintenance of the RSA House, conducted every five years.

Staff costs constituted 40% of the total expenditure, amounting to £5.3 million (2023: £5.8 million),. The average headcount during the year was of 107 (2023: 114). Further details on staff distribution can be found in note 4 of the Financial Statements.

Our charitable activities, including our programme of projects and engagement account for 84% of the total expenditure, excluding trading activities, similar to the previous year.

Fundraising expenses included costs for Fellowship administration and trading activities:

- Fellowship administration expenses increased slightly to £1.4 million.
- Trading activities expenses increased by £0.6 million to £4.0 million.



10.87% Fellowship administration
30.48% Trading activities
28.46% Programme of projects
30.19% Programme of engagement

Investments and investment policy

Overview

The majority of the RSA's funds are invested in securities, guided by an investment policy aimed at achieving a long-term real rate of return of 4% per annum.

Investment Strategy

A significant portion of our invested funds is allocated to the COIF Ethical Charities Investment Fund. This fund aims to deliver a long-term total return through both capital growth and income distributions. The fund's portfolio is actively managed and diversified, primarily comprising equities, but also including property, bonds and other asset classes to safeguard present and future beneficiaries from inflation.

Ethical Investment Policy

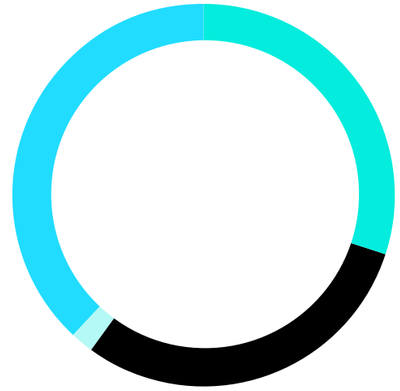
The COIF Ethical Charities Investment Fund adheres to an ethical investment policy, avoiding investments in companies involved in landmine or cluster bomb manufacturing, as well as those significantly engaged in tobacco, pornography or online gambling. This policy is bolstered by an active engagement program aimed at improving standards in human rights, employment practices, and climate change disclosure.

The RSA holds a seat on the CCLA ethical advisory committee. This position enables us to influence sustainable investment practices and advocate for responsible corporate behaviour, maximising the impact of our portfolio despite its size.

Review and Performance

During the year, the RSA Trustees engaged an investment consultancy firm to review our investment policy and arrangements, with completion expected in 2024/25.

For the financial year 2023/24, the net market value of our investment funds increased by £1.9 million, a notable recovery from the previous year's £1.0 million loss. Investment income remained steady at £0.6 million, consistent with the prior year's performance.



30% General funds
30% Designated funds
2% Restricted funds
38% Endowment funds

Reserves

The RSA has total reserves of £32.9 million (2023: £31.7 million).

These include:

- Endowment funds of £12.4 million (2023: £11.3 million) which are invested in the CCLA Ethical Investment Fund and must be retained in perpetuity.
- Restricted reserves of £0.6 million (2023: £0.9 million). Of this, £0.1 million relates to restricted project funds and £0.5 million relates to historical donations. See note 11 of the Financial Statements for further information on the restrictions.
- Unrestricted funds of £19.8 million (2023: £19.5 million). Of this:
  - » £9.9 million relates to fixed assets (see note 7).
  - » Designated legacies which, whilst technically unrestricted, include clear preferences expressed by the legators were mostly expended during the year leaving a small balance (see note 11).
  - » £9.7 million (2023: £8.7 million) is general reserves.

7 Financial review

Reserves policy

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds. The policy focuses purely on the general reserves. General reserves are defined as that portion of unrestricted funds remaining once the trustees have set aside any amounts required as designated funds.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- a temporary loss of income
- a permanent fall in income, allowing time to adjust our cost base or business model
- incurring one-off costs that are not covered from donor funds.

Whilst we seek to run a balanced operational budget, general reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals as well as fund working capital.

Based on our current assessment of principal risks, the RSA Board of Trustees estimate that our target general reserves range should be between £8 - £10 million. This equates to around six to eight months of future expenditure. Our closing general reserves on 31 March 2024 of £9.7 million are within this range.

Investment gains or losses aside, it is anticipated that our general reserves will reduce in 2024 as we prioritise investment in technology. We are also undertaking a major survey into the condition of RSA House which may involve sizeable future expenditure.

The overall assessment also acknowledges, as per note 11c of the Financial Statements, the obligation to repay the remaining balance of a loan from the Shipley Expendable Endowment fund (£1.73m on 31 March 2024).

Our general reserves are matched by investments and bank deposits. We are currently reviewing our investment policy with the assistance of external investment consultants.

The reserves policy is reviewed annually.

Grant-making policy

The RSA accomplishes its charitable objectives through various means, including the provision of grants, non-financial assistance, and research initiatives. The type of support offered is tailored to each programme's nature and goals.

Rather than adhering to a predetermined allocation of the annual budget for grant expenditure, the RSA focuses on identifying the desired impact and the most suitable method of delivery.

When grants are deemed the most appropriate funding mechanism, the RSA establishes specific criteria for each grant. These criteria vary and are made accessible on the RSA's website during open calls for applications.

Subsequently, applications are evaluated against these criteria, and awards are granted based on the following factors:

- Available funds.
- Ability to achieve the programme's objectives.
- Quality of the applications received.

The duration of grant awards depends on the specific programme but typically spans less than one year. Grants undergo regular monitoring, and recipients are required to provide progress reports as appropriate. Please refer to note 5 in the Financial Statements for detailed information regarding approved and payable grants during the year.

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Fundraising disclosure

The RSA approaches fundraising through the lens of broadening and growing its Fellowship. Fellowship of the RSA is a charitable subscription which generates unrestricted income for the RSA's charitable purposes. Recruitment of new Fellows is through nomination; this is either by staff, existing Fellows or researched invitation.

The RSA does not work with professional fundraisers in relation to personal fundraising but does build relationships with other networks and membership bodies to invite nominees. The RSA will on occasion run fundraising campaigns with its Fellows to support pieces of work or projects.

Professional fundraisers are only used in making grant applications that are outside of its expertise.

The RSA monitors fundraising compliance through its own internal processes; all third parties working with the RSA are required to sign and indemnify the RSA through a data-sharing agreement where data is shared. It is the RSA's policy not to share the data of its Fellows without consent, except where necessary, for example with its mailing house to enable Fellows to receive copies of the *RSA Journal* or governance mailings, such as for the renewal of subscriptions or voting as part of the annual AGM. No fundraising complaints were received in the year.

“The encouragement of the arts manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary, and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes...”

Our charitable objectives

The RSA was founded in 1754 as the Society for the Encouragement of Arts, Manufacture and Commerce, it was granted a Royal Charter in 1847, and the right to use the term Royal in its name by King Edward VII in 1908. The Royal Charter company was registered as a charity in England and Wales in 1963 (212424) and is also registered in Scotland (SC037784). The RSA's charitable objects are defined within its Royal Charter as:

“the encouragement of the arts manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes...”

Trustee Board

The Board of Trustees is the governing body of the RSA and comprises up to 14 members, of which up to five Fellows are appointed to the Board by Trustees; up to five Fellows are directly elected by the Fellowship; up to two Fellows are directly elected by the Fellowship Council, with at least one representative from among their elected members; and up to two Fellows are elected by the Fellowship from an international chapter (RSA US and/or RSA Oceania). Trustees are elected or appointed for a three-year term and may serve a second three-year term, save for Fellowship Council Trustees, who serve for the currency of the Fellowship Council, which is two years. The Board met formally four times during 2023–24 and attended their additional annual away day. Day-to-day management of the RSA is delegated to the Senior Leadership Team by the Trustees. The Senior Leadership Team attends all Trustee Board meetings.

The Board has established three permanent committees, each with specific terms of reference and functions that are delegated by the Board, and with a Board-appointed Trustee serving as chair: Audit and Risk (which has three independent members), Nominations and Governance (which includes three members from the Fellowship Council) and People and Remuneration. At least one representative of the Senior Leadership Team attends all committee meetings. The RSA's external auditors attend one meeting a year of the Audit and Risk Committee.

The Trustee Board appoints the Directors of the RSA's two trading subsidiaries, RSA Adelphi Enterprises Ltd, which has one external non-executive director, and RSA Shipley Enterprises Ltd. The Directors of the two trading subsidiaries meet as necessary. The Trustee Board also monitors the trading subsidiaries' performance.

All Trustees and Directors receive a tailored induction programme upon joining the RSA and are regularly updated on relevant issues through the Board and committee structures. The Charity Governance Code, as refreshed in December 2020, is incorporated into the RSA Trustee induction and programme and all Trustees agree to abide by its principles.

Fellowship representation

An important part of the governance of the RSA's relationship with its Fellows is the Fellowship Council. During the ongoing two-year period from 2023 to 2025, the Fellowship Council has comprised Fellows as follows:

Specialism	Pathway Councillors
Pathway Councillors	Nicola Millson – Companies for Change Shelagh Lee – Early years for Change Gill Wildman – Entrepreneurs for Change Jay Amin – Places for Change Seth Bolderow – Pupils for Change Elena Papadaki – Students for Change Benedikt Signer – Systems for Change
Area	**Area Councillors**
London	Sarah Beeching Eva Pascoe
Central	Jackie Norton Matthias Hillner (resigned April 2024) Julie Samuels (from May 2024)
Ireland	Michael Dunlop (from May 2024) Tony Sheehan (resigned December 2023) Rob Worrall (resigned March 2024)
North	Paul Ingram Hellen Giblin-Jowett
Scotland	Nairn McDonald (from September 2023) Ann Packard
SouthEast	Claire Doran (resigned November 2023) Ann Longley (from September 2023) Jordan Meade (from May 2024)
South West	Neil Beagrie Robin Tatam
Wales	Damian Joseph Bridgeman (from September 2023) Anna Nicholl (from September 2023)
Global	Vanessa Barros Francesca Bernardi
Oceania	Lynn Wood Kim Shore
US	Lira Luis Maria Santiago

As per our Bye-Laws, the Fellowship Council elects two representatives to the RSA Board of Trustees, and the Terms of Reference specify that at least one of the representatives be either the Chair or the Deputy Chair of the Fellowship Council. Following the resignation of Tony Sheehan and Claire Doran in late 2023, Neil Beagrie succeeded Tony Sheehan as Chair, as elected by the Fellowship Council, and became a representative on the RSA Board of Trustees and a member of the RSA Nominations and Governance Panel. In March 2023, Damian Joseph Bridgeman was elected by the Fellowship Council to Deputy Chair of the Fellowship Council and Eva Pascoe was elected to second Fellowship Council representative on the RSA Board of Trustees. Election to these roles was conducted by the independent electoral services provider Mi-Voice.

Principal risks and uncertainties

The RSA is dedicated to maintaining a robust and comprehensive system of risk management, control, and corporate governance. The risk management policy serves as a formal acknowledgement of the Trustee Board's commitment to establishing a strong risk management framework. The policy aims to ensure that the charity proactively manages risks by maximising opportunities and minimising adverse effects.

The policy's objectives are as follows:

- Confirm and communicate the RSA's commitment to risk management.
- Establish a consistent framework and protocol for determining risk appetite and tolerance, as well as managing risks.
- Assign accountability to management and staff for risks within their control and provide a structured process for risk consideration, reporting, and action throughout the organisation.

The policy is guided by the following principles:

- Risk management should be a straightforward process that does not require specialised training or knowledge.
- Risk management should be integrated into day-to-day business operations rather than being a standalone activity.

The risks include challenges in achieving social impact with Design for Life, not meeting income targets for Design for Life, poor Fellowship retention, underperforming hospitality at Adelphi Enterprises Ltd, and IT system vulnerabilities and data breaches.

Management regularly review Design for Life interventions to ensure alignment of both programmes and fundraising. In terms of Fellowship, we continue to invest in technology to improve engagement.

Trading-subsidiary risks are monitored through the respective boards and generally covered by the group risk management policy and statement as well as a separate risks schedule for RSA Adelphi Enterprises Ltd. The primary risks for RSA Adelphi Enterprises Ltd are ensuring ongoing quality standards and ensuring forward bookings. This is monitored through formal monthly and quarterly meetings with Company of Cooks, who run Adelphi Enterprises Ltd on the RSA's behalf on a management fee basis and maintain a risk register.

Objectives, risks, governance and management

Company of Cooks conducts regular internal audits covering health and safety, food hygiene, and general standards. These issues are also independently audited twice a year. RSA Adelphi Enterprises Ltd reviews the audit outcomes.

The primary risk for RSA Shipley Enterprises Ltd is the need to control its costs and ensure all projects run profitably; this is achieved through project forecasting and time recording to ensure each project makes a profitable contribution.

Day-to-day management of the RSA is delegated by the Board to the Leadership Team.

Remuneration policy

The RSA operates a broad-banded salary structure for all roles, including leadership-level roles, based on Croner job evaluation and salary benchmarking using XpertHR. Pay levels are based upon sector and skills market rates to enable attraction of high-quality talent. The annual pay settlement is based upon affordability, trends in reward and market pay and the inflationary environment.

The annual pay review for all staff is recommended to the RSA People and Remuneration Committee by the RSA Senior Leadership Team, and then ultimately approved by the RSA Board of Trustees as part of the annual budget.

Key management team

The Trustees consider that the Senior Leadership Team, as identified on the inside front cover, comprises the key management personnel. Any pay review for the Senior Leadership Team, including that of the Chief Executive Officer, is recommended for sign-off by the People and Remuneration Committee to the RSA Board of Trustees as part of the annual budget process.

Statement of public benefit

The Trustees confirm that they have complied with the duty laid out in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the commission in determining the activities undertaken by the society. The RSA's objectives, as laid down in our Royal Charter, are set out on page 65.

This Impact Report describes the benefits of the RSA's activities which relate directly to the RSA's aims and objectives:

- The extensive lectures programme is available to the public free of charge, both through in-person attendance and by accessing RSA content through the website in various formats.
- The results of the RSA's research are wide-ranging and are disseminated free of charge to all interested parties.
- Funding is offered for innovative new projects through RSA Catalyst Awards.
- Innovation and creativity are encouraged through the RSA Student Design Awards and RSA Pupil Design Awards.
- The RSA's 'hands-on' projects, such as those in education, and focused on building communities, have direct charitable benefit.
- The RSA Fellowship is diverse, engaged and influential, and its work, which is given voluntarily, contributes to the capacity of the society to pursue its charitable objects.

The Trustees review the activities of the RSA against its aims on an ongoing basis and are satisfied that all activities continue to be related to those aims. No specific issues of detriment or harm have been identified. Ultimately, wider society will benefit from the charity's activities, and this is in keeping with the spirit of the RSA Charter. The RSA operates throughout the whole of the United Kingdom, through the website, and through approximately 31,000 Fellows around the world. It has affiliate non-profit organisations in Australia (RSA Oceania) and the United States (RSA US). Benefits are not confined to any group and the wider benefits of the RSA's activities are intended to include the public.

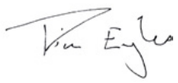
Statement of Trustees' responsibilities

The law applicable to charities in England, Wales, and Scotland requires Trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its position at the year's end. In preparing these financial statements, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the charity's SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The charity's Trustees are responsible for keeping accounting records in respect of the charity, which are enough to show and explain all the charity's transactions, and which are such as to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to ensure the accounts comply with the Charities Act 2011. The Trustees are responsible for safeguarding the assets of the charity, and hence for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

By order of the Board of Trustees.



Tim Eyles OBE
Chair of the RSA

17 July 2024

9 Independent auditor's report to the trustees of the RSA (the Royal Society for the encouragement of Arts, Manufactures, and Commerce)

Opinion

We have audited the financial statements of the RSA (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 state of the group's and parent charity's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 69, Trustees 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Section 144 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 group and charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit report.

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity 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 charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's Trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Stickland
(Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

17 July 2024

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Group statement of financial activities
for the year ended 31 March 2024

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	**2024 total £'000**	2023 total £'000
Income and endowments from:							
Donations and legacies							
Fellowship donations		6,435	-	-	-	**6,435**	5,810
Other donations and legacies		69	-	-	-	**69**	665
Trading activities		4,206	-	-	-	**4,206**	3,538
Investment income		602	-	38	-	**640**	621
Charitable activities							
Programme of projects		492	-	633	-	**1,125**	2,179
Programme of engagement		9	-	-	-	**9**	30
Other income		35	-	-	-	**35**	37
Total income	2	**11,848**	**-**	**671**	**-**	**12,519**	**12,880**
Expenditure on:							
Raising funds							
Fellowship administration		1,319	117	4	-	**1,440**	1,384
Trading activities		4,004	34	-	-	**4,038**	3,474
Charitable activities							
Programme of projects		2,457	357	955	-	**3,769**	4,408
Programme of engagement		3,546	451	2	-	**3,999**	3,496
Total expenditure	3	**11,326**	**959**	**961**	**-**	**13,246**	**12,762**
Net income/(expenditure) before net gains/(losses) on investments		**522**	**(959)**	**(290)**	**-**	**(727)**	**118**
Net gains/(losses) on investments	8	749	-	44	1,106	**1,899**	**(1,018)**
Net income/(expenditure)		**1,271**	**(959)**	**(246)**	**1,106**	**1,172**	**(900)**
Transfers between funds	11	(274)	255	-	19	-	-
Net movement of funds		**997**	**(704)**	**(246)**	**1,125**	**1,172**	**(900)**
Reconciliation of funds							
Total funds brought forward		**8,728**	**10,768**	**886**	**11,303**	**31,685**	**32,585**
Total funds carried forward		**9,725**	**10,064**	**640**	**12,428**	**32,857**	**31,685**

All incoming and outgoing resources derive from continuing operations. The group has no gains and losses other than those recognised in this statement of financial activities. The accompanying notes form part of these financial statements.

Group cash flow statement
for the year ended 31 March 2024

	2024 £'000	2023 £'000
Reconciliation of net cash provided by/(used in) operating activities		
Net outgoing resources for the year before net gains/(losses) on investments	(727)	117
Interest received and income from investments	(640)	(621)
Depreciation	634	627
Amortisation	274	212
(Increase)/decrease in debtors	153	(59)
Decrease/(increase) in stock	6	(3)
(Decrease)/increase in creditors	(104)	(187)
Net cash provided by/(used in) operating activities	(404)	86
Cash flow from investing activities		
Dividend, interest and rents from investments	640	621
Proceeds from sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(254)	(632)
Proceeds from sale of investments	-	-
Purchase of investments	-	-
Net cash provided by/(used in) investing activities	386	(11)
Change in cash and cash equivalents in the reporting period	(18)	75
Cash and cash equivalents at the beginning of the reporting period	2,403	2,328
Cash and cash equivalents at the end of the reporting period	2,385	2,403

Group and charity balance sheet
for the year ended 31 March 2024

	Notes	Group 2024 £'000	Group 2023 £'000	RSA 2024 £'000	RSA 2023 £'000
Fixed assets					
Intangible assets	7	316	578	316	578
Tangible fixed assets	7	9,528	9,919	9,528	9,919
Investments	8	21,210	19,312	21,210	19,312
		31,054	29,809	31,054	29,809
Current assets					
Stocks		18	24	-	-
Debtors	9	900	1,053	758	984
Short-term deposits and cash at bank		2,385	2,403	1,533	1,310
		3,303	3,480	2,291	2,294
Creditors: amounts falling due within one year	10	(1,483)	(1,593)	(766)	(908)
Net current assets		1,820	1,887	1,525	1,386
Total assets less current liabilities		32,874	31,696	32,579	31,195
Creditors: amounts falling due after more than one year	10	(17)	(11)	-	-
Total assets less liabilities		32,857	31,685	32,579	31,195
Unrestricted funds – charity		19,511	19,006	19,511	19,006
Unrestricted funds – trading subsidiaries		278	490	-	-
Restricted funds		640	886	640	886
Endowment funds		12,428	11,303	12,428	11,303
Total funds	11	32,857	31,685	32,579	31,195

The financial statements were approved by the board of trustees on 17 July 2024 and were signed on its behalf by:

Tim Eyles
Chair

Jill Humphrey
Co-treasurer

The accompanying notes form part of these financial statements.

Notes to the financial statements 31 March 2024

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value as stated in the relevant note(s) to these accounts. 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 thousand pounds. The charity constitutes a public benefit entity as defined by FRS 102.

The group financial statements comprise those of the RSA and its wholly owned subsidiaries, RSA Adelphi Enterprises Limited and RSA Shipley Enterprises Limited. The results of the subsidiaries are consolidated on a line-by-line basis.

The RSA has an affiliation agreement with the Fellows of the RSA in the United States, a separate corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania. As per the bylaws of the Fellows of the RSA in the US, RSA appoints half of the members of the Board of Trustees as well as the Chair of the Board and therefore holds control in the organisation's governance structure. This US entity is not consolidated on a line-by-line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with RSA Australia and New Zealand (RSA ANZ) headquartered in Australia, a separate corporation established for charitable purposes under the laws of the Commonwealth of Australia. As per the articles of incorporation of RSA ANZ, RSA appoints half of the members of the Board of Trustees as well as the Chair of the Board and therefore holds control in the organisation's governance structure. RSA ANZ is not consolidated on a line-by-line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

Going Concern

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the group will continue in operational existence for the foreseeable future and are not aware of any material uncertainties which may cause doubt on the group's ability to continue as a going concern.

Income and endowments

Donations, including Fellowship subscriptions, are accounted for on a cash basis. Income from grants is accounted for in line with the SORP. All grants are accounted for when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity or a time-related condition, are recognised when the charity becomes unconditionally entitled to the grant. All other incoming resources are accounted for on an accruals basis, with income relating to specific periods apportioned over the accounting periods to which it relates. Restricted income is used in accordance with specific restrictions imposed by donors.

Expenditure

Expenditure is charged on an accruals basis, inclusive of irrecoverable VAT. Expenditure incurred on support departments is apportioned to the activity area based on the appropriate driver, such as full-time equivalent (FTE) or floor space.

Operating Leases

Lease expenses are recognised as "operating leases" relating to capital equipment that the RSA does not own. The annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

Intangible assets and amortisation

Intangible assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Amortisation is calculated on the cost of the intangible assets on a straight-line basis over the expected useful life of 3–5 years.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Tangible fixed assets are stated at cost with the exception of certain pictures, books, and antiques which are stated at a notional value adopted in earlier years and are not depreciable. These items are not considered heritage assets as defined in FRS 102.

Depreciation is calculated on the cost of the fixed assets on a straight-line basis over the following expected useful lives:

Freehold premises	200 years from 1978
Building improvements	between 10 and 40 years
Furniture and fittings	between 3 and 5 years

Investments

Investment assets are included in the balance sheet at market value. Unrealised gains and losses on revaluation and realised gains and losses on disposal are taken to the Statement of Financial Activities and dealt with in the relevant fund.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cash and cash equivalents

Cash and cash equivalents include unrestricted and restricted deposits held at call with banks.

Financial instruments

The company 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.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are recognised as current assets due to be realised within one year or less. As such it is not necessary to amortise these assets.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised as current liabilities and as such it is not necessary to amortise these liabilities.

Funds

Unrestricted funds may be spent in accordance with the RSA's charitable objects at the discretion of the Trustees. A designated fixed asset reserve has been created to highlight the value of unrestricted funds tied up in freehold premises and building improvements. A designated legacy reserve has been created to identify legacy receipts where there is an expectation to honour the non-binding wishes of the legator in the way that we spend the monies received.

Restricted funds arise from specific grants for individual projects, appeal receipts for specific purposes, and income derived from endowment funds which must be used for restricted charitable purposes.

The capital of the James Cranstoun Bequest and Angus Millar Trust endowment funds are required to be retained in perpetuity, while the income must be used for restricted charitable purposes. The capital of the Shipley Endowment Fund may be used in specific limited circumstances, while the income must be used for charitable purposes. The capital elements of all endowment funds accrue investment gains and losses.

Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the Trustees are required to make judgements, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Notes to the financial statements 31 March 2024

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue from performance-related grants and contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract. This is estimated using a combination of the milestones in the agreement and the time spent to date compared to the total time expected to be required to undertake the agreement. Estimates of the total time required to undertake the agreement are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date, and client decision-making. See notes 9 and 10 for disclosure of the amount by which revenue exceeds progress billing (accrued income) or billing exceeds revenue (deferred income).

Reserves policy

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds. The policy focuses purely on the general reserves. General reserves are defined as that portion of unrestricted funds remaining once the trustees have set aside any amounts required as designated funds.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- a temporary loss of income
- a permanent fall in income, allowing time to adjust our cost base or business model
- incurring one-off costs that are not covered from donor funds.

Whilst we seek to run a balanced operational budget, general reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals as well as fund working capital.

Based on our current assessment of principal risks, the RSA Board of Trustees estimate that our target general reserves range should be between £8 - £10 million. This equates to around six to eight months of future expenditure. Our closing general reserves on 31 March 2024 of £9.7 million are within this range.

Investment gains or losses aside, it is anticipated that our general reserves will reduce in 2024 as we prioritise investment in technology. We are also undertaking a major survey into the condition of RSA House which may involve sizeable future expenditure.

The overall assessment also acknowledges, as per note 11c of the Financial Statements, the obligation to repay the remaining balance of a loan from the Shipley Expendable Endowment fund (£1.73m on 31 March 2024).

Our general reserves are matched by investments and bank deposits. We are currently reviewing our investment policy with the assistance of external investment consultants.

The reserves policy is reviewed annually.

Pension Costs

For Group Personal Pension schemes the amount charged to the Group Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either creditors or debtors in the balance sheet.

2. Income and endowments

Split of income 2024	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2024 total £'000
Fellowship	6,435	-	-	-	-	-	6,435
Donations and legacies (individuals)	69	-	-	-	-	-	69
Commercial organisations	-	-	-	473	-	35	508
Charitable trusts and foundations	-	-	-	258	-	-	258
Public sector bodies	-	-	-	384	-	-	384
Trading activities	-	4,206	-	-	-	-	4,206
Fees income	-	-	-	10	9	-	19
Dividends, interest and rent income	-	-	640	-	-	-	640
	6,504	**4,206**	**640**	**1,125**	**9**	**35**	**12,519**

2023	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2023 total £'000
Fellowship	5,810	-	-	-	-	-	5,810
Donations and legacies (individuals)	659	-	-	-	-	-	659
Commercial organisations	4	-	-	521	-	37	562
Charitable trusts and foundations	1	-	-	951	-	-	952
Public sector bodies	-	-	-	692	-	-	692
Trading activities	-	3,538	-	-	-	-	3,538
Fees income	-	-	-	16	30	-	46
Dividends, interest and rent income	-	-	621	-	-	-	621
	6,474	**3,538**	**621**	**2,180**	**30**	**37**	**12,880**

Donations and legacies income includes Fellowship income, unrestricted donations and legacies.

Income from other trading activities comprises the income generated through the trading subsidiaries, RSA Adelphi Enterprises Ltd and RSA Shipley Enterprises Ltd.

From RSA Adelphi Enterprises Ltd., for the hire of conference rooms and the provision of catering services, £4,012k (2023: £3,46lk).

From RSA Shipley Enterprises Ltd., for the provision of consultancy services, £193k (2023: £73k.

Programme of projects and programme of engagements comprise all funding received towards supporting charitable activities.

Other income comprises fee and advertising income generated by the CEO, the *RSA Journal*, and events.

Notes to the financial statements 31 March 2024

3. Expenditure

Expenditure on 2024	Direct costs £'000	Apportioned support £'000	2024 total £'000
Expenditure on:			
Raising funds			
Fellowship administration	1,054	386	1,440
Trading activities	3,349	689	4,038
Charitable activities			
Programme of projects	2,717	1,052	3,769
Programme of engagement	2,571	1,428	3,999
Total expenditure	**9,691**	**3,555**	**13,246**

Expenditure on 2023	Direct costs £'000	Apportioned support £'000	2023 total £'000
Expenditure on:			
Raising funds			
Fellowship administration	993	391	1,384
Trading activities	2,792	682	3,474
Charitable activities			
Programme of projects	3,198	1,210	4,408
Programme of engagement	2,534	962	3,496
Total expenditure	**9,517**	**3,245**	**12,762**

Direct costs are allocated to categories of activity as follows:

Expenditure on raising funds comprises the cost of recruiting to and administering our Fellowship and unrestricted fundraising.

Trading activities comprises the costs associated with the hire of conference rooms, the provision of catering services and with the provision of consultancy services.

Programmes of projects comprises the costs of performing these charitable activities.

Programme of engagement comprises the costs of other charitable activities including those of the *RSA Journal*, library, Fellowship networks and the costs incurred for activities within the areas and nations.

The external audit fee was £46k (2023: £43k). Fees paid to the auditors for non-audit services were £9k (2023: £11k).

Where expenditure cannot be directly allocated it represents support costs (see Analysis of Apportioned Support Costs below) and is apportioned on a basis consistent with the use of resources, for example the number of full time equivalent staff or floor space. Costs relating to external communications have been included in the direct costs of the activities which they support.

Total expenditure excludes the value of work contributed by Fellows to the activities of the RSA.

3. Expenditure – continued

Analysis of apportioned support costs 2024	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	2024 total £'000
Digital & Marketing	13	2	33	50	98
Establishment	51	639	178	131	999
Executive management	79	12	206	306	603
Finance	46	7	120	178	351
Human resources	102	15	266	392	775
Information technology	77	11	201	299	588
Governance	18	3	48	72	141
Total	**386**	**689**	**1,052**	**1,428**	**3,555**

2023	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	2023 total £'000
Establishment	36	450	125	92	703
Executive management	72	47	221	177	517
Finance	59	39	181	145	424
Human resources	107	70	327	262	766
Information technology	79	51	240	193	563
Governance	38	25	116	93	272
Total	**391**	**682**	**1,210**	**962**	**3,245**

4. Trustee and staff costs

Trustees

Members of the Trustee Board and committees do not receive any remuneration for their services.

Travel expenses of £1.2k (2023: £0.4k) were reimbursed to four trustees (2023: three). Charitable funds have been used to buy indemnity insurance for Trustees at a cost of £7k (2023: £7k), and £13k (2023: £10k) has been spent on Trustees' recruitment.

Staff

The average headcount during the year was 107 (2023: 114). In addition 2 (2023: 2) staff who assist with public lectures and front of house services were on casual contracts.

Notes to the financial statements 31 March 2024

4. Trustee and staff costs – continued

The average number of staff employed during the year on a full time equivalent basis was 100 (2023: 112). This was split across the organisation as follows:

	2024 no	2023 no
Raising funds	10	13
Trading activities*	1	8
Programme of projects	26	39
Programme of engagement	38	32
Support departments	25	20
	100	**112**

*Trading activities include RSA front-of-house staff who contribute to services provided by RSA Adelphi Enterprises Limited and programmes staff working to generate funds through RSA Shipley Enterprises Limited. CH&Co Catering Ltd manage the catering and hospitality trading activities for the RSA. They employ their own staff to deliver these services.

The cost of these individuals was as follows:

	2024 £'000	2023 £'000
Salaries	4,534	4,946
Employer's National Insurance contributions	471	542
Pension contributions	226	245
	5,231	**5,733**
Agency staff costs	23	100
Total staff costs	**5,254**	**5,833**

The number of employees who earned more than £60,000 during the year was as follows:

	2024 no	2023 no
£60,001 to £70,000	3	5
£70,001 to £80,000	1	1
£80,001 to £90,000	4	1
£90,001 to £100,000	1	2
£100,001 to £110,000	-	1
£120,001 to £130,000	1	-
£180,001 to £190,000	1	1

The number of higher paid employees accruing pension benefits was:

	2024 no	2023 no
Defined contributions scheme – group personal pension	10	11

The total contributions paid by the RSA into the defined contribution scheme for higher paid employees was £42k (2023: £38k). The cost of key management personnel, defined as members of the Leadership Team, including employer's national insurance and pension contributions by the RSA was £839k (2023: £976k).

Termination payments for the year totalled £16k (2023: £94k).

5. Grants/awards paid and payable

	2024 £'000	2023 £'000
Grant creditor at 1 April	65	67
Grants approved before 31 March and payable within one year	577	795
Grants paid/released during the year	(610)	(797)
Grant creditor at 31 March	**32**	**65**

Grants approved before 31 March and payable within one year:

		2024 £'000	2023 £'000
Grants	Grants to Fellows, including Catalyst grants	64	97
Grants	International Affiliates	313	304
Grants	Programme of projects	179	373
Awards	Student Design Awards	21	21
Total		**577**	**795**

The total number of grant recipients was 42 (2023: 64), including the following institutions in receipt of grants totalling £100k or more:

	2024 £'000	2023 £'000
RSA USA	236	208

6. Operating leases

At 31 March 2024, the commitment for the next year under non-cancellable operating leases relating to equipment and the total outstanding commitment to the end of the leases were:

	2024 £'000	2023 £'000
Within one year	18	17
In 2–5 years	25	36

The rental expense charged to the statement of financial activities for the year was £18k (2023: £17k).

Notes to the financial statements 31 March 2024

7a. Intangible fixed assets

	£'000
Cost or valuation	
As at 1 April 2023	1,500
Transfers	-
Additions	11
Disposals	-
As at 31 March 2024	**1,511**
Amortisation	
As at 1 April 2023	922
Transfers	-
Charge for the year	274
Disposals	-
As at 31 March 2024	**1,196**
Net book values	
As at 1 April 2023	578
As at 31 March 2024	**315**

7b. Tangible fixed assets

	Freehold premises £'000	Building improvements £'000	Furniture and fittings £'000	Pictures, books and antiques £'000	Total £'000
Cost or valuation					
As at 1 April 2023	4,965	10,896	1,124	33	17,018
Additions	-	106	137	-	243
Disposals	-	-	-	-	-
As at 31 March 2024	**4,965**	**11,002**	**1,261**	**33**	**17,261**
Depreciation					
As at 1 April 2023	804	5,490	805	-	7,099
Charge for the year	26	448	160	-	634
Disposals	-	-	-	-	-
As at 31 March 2024	**830**	**5,938**	**965**	**-**	**7,733**
Net book values					
As at 1 April 2023	4,161	5,406	319	33	**9,919**
As at 31 March 2024	**4,135**	**5,064**	**296**	**33**	**9,528**

The freehold properties at 2, 4, 6, and 8 John Adam Street and 18 Adam Street are listed as historic buildings. They are referred to elsewhere throughout the accounts as 'RSA House'. The RSA is required by law to maintain these properties in their present form in perpetuity. The value of the freehold premises represents the historical cost of acquiring the freeholds plus the cost of additions to the buildings. It is a requirement of United Kingdom Accounting Standards that freehold buildings should be depreciated over their estimated useful lives. To meet this requirement a notional life of 200 years was attributed to the premises in 1978, and depreciation is therefore charged on that basis.

Fixed assets are stated at cost with the exception of certain pictures, books, and antiques which are stated at a notional value adopted in earlier years and are not depreciable. The Trustees do not consider that any of these items are heritage assets.

8. Investment assets

Investments in government and other listed securities and Charities Official Investment Funds (COIF) at market values.

Analysis of investment assets	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2024 total £'000	2023 total £'000
UK	527	29	788	1,344	1,630
Overseas	5,419	302	8,096	13,817	12,238
Alternative investments	1,809	101	2,703	4,613	3,797
Property	382	21	571	974	622
Bank deposits	181	10	271	462	1,025
	8,318	**463**	**12,429**	**21,210**	**19,312**

Analysis of movement of investment assets	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2024 total £'000	2023 total £'000
Investments at 1 April 2023	7,093	915	11,304	19,312	20,330
Reclassification	-	-	-	-	-
Net withdrawals	-	-	-	-	-
Net additions	-	-	-	-	-
Transfers	476	(495)	19	-	-
Revaluation gain	749	43	1,106	1,898	(1,018)
Investments at 31 March 2024	**8,318**	**463**	**12,429**	**21,210**	**19,312**
Revaluation loss in 2023	(390)	(47)	(581)	(1,018)	

9. Debtors

	Group 2024 £'000	Group 2023 £'000	RSA 2024 £'000	RSA 2023 £'000
Trade debtors	483	560	108	282
Bad debt provision	(13)	(9)	-	-
Prepayments	126	139	123	136
Accrued income	139	239	73	232
Other debtors	165	124	152	124
Owed by RSA Adelphi / RSA Shipley	-	-	302	210
	900	**1,053**	**758**	**984**

Accrued income relates to funds already earned but not yet received for work or activities undertaken in the current year. The accrued income which was brought forward from the previous year has been released in the current year.

Notes to the financial statements 31 March 2024

10. Creditors

Amounts falling due within one year	Group 2024 £'000	Group 2023 £'000	RSA 2024 £'000	RSA 2023 £'000
Trade creditors	377	318	369	161
Accruals	299	351	162	314
Deferred project income	67	163	58	162
Taxation and social security	111	169	111	169
Other creditors	104	111	66	102
RSA hospitality income received in advance	525	481	-	-
	1,483	**1,593**	**766**	**908**

Deferred project income relates to funds already received for work or activities due to be undertaken in the coming year. The deferred project income which was brought forward from the previous year has been released in the current year.

Amounts falling due after more than one year	Group 2024 £'000	Group 2023 £'000	RSA 2024 £'000	RSA 2023 £'000
RSA hospitality income received in advance	17	11	-	-

11. Funds

a) Movement in funds

	Balance 1 April 2023 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2024 £'000
Unrestricted funds						
Designated fixed asset reserve	10,497	-	(908)	-	255	9,844
Designated legacy reserve	29	-	-	-	-	29
Designated Design for Life reserve	242	-	(51)	-	-	191
Shipley income fund	3,731	382	-	143	-	4,256
General reserve	4,997	11,466	(11,326)	606	(274)	5,469
	19,496	**11,848**	**(12,285)**	**749**	**(19)**	**19,789**
Restricted income funds						
Programme of projects	291	633	(808)	-	-	116
Individual trusts greater than £5k:						
– General lecture fund	3	5	-	-	-	8
– Edward Boyle fund	158	5	-	15	-	178
– General Award fund	143	5	(147)	15	-	16
– James Cranstoun bequest	131	15	-	-	-	146
– Dick Onians lecture trust	88	3	-	8	-	99
– Angus Millar trust	44	2	(2)	-	-	44
– Edward Squires fund	12	2	-	4	-	18
– F H Andrews bequest	16	1	(4)	2	-	15
	886	**671**	**(961)**	**44**	**-**	**640**

11. Funds – continued

a) Movement in funds

	Balance 1 April 2023 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2024 £'000
Endowment funds						
Shipley expendable endowment	10,771	-	-	1,054	19	11,844
Individual trusts greater than £10k:						
James Cranstoun bequest	460	-	-	45	-	505
Angus Millar trust	72	-	-	7	-	79
	11,303	**-**	**-**	**1,106**	**19**	**12,428**
Total reserves	**31,685**	**12,519**	**(13,246)**	**1,899**	**-**	**32,857**

b) Restricted income funds

The restricted Programme of Projects fund includes grant funding which has been received in the year to support specific charitable activities.

The Shipley Income Fund is the income generated by the Shipley Endowment Fund which is used to support the RSA's programme in furtherance of its charitable objects.

The Edward Boyle Fund originates from a donation made by the Edward Boyle Memorial Trust in 1995 and is to be used, in the name of Edward Boyle, for the provision of bursaries at the University of Leeds, in addition to lectures at the University of Leeds and the RSA which should be broadly related to education, music and/or learning.

The General Awards Fund and General Lecture Fund were set up during the 2015/16 fiscal year and each comprise a group of funds released to restricted from endowment with the permission of the Charity Commission. The General Awards Fund may be used for the encouragement of arts, manufactures and commerce by the provision of awards, prizes, bursaries and grants, and the General Lecture Fund for the encouragement of arts, manufactures and commerce by the provision of lectures, and related costs.

The Dick Onians Lecture Trust was set up for the purpose of sponsoring an annual lecture to be given by a fellow aged 40 or younger on the subject "how I intend to pursue the Shipley mission".

The Angus Millar Trust exists to fund an annual lecture held in Scotland for the purpose of stimulating discussion, developing ideas and encouraging action in accordance with the RSA's aims and objectives.

The Eddie Squires Fund is to support a Student Design Award bursary for outstanding contemporary printed furnishing design.

The F H Andrews Bequest is to support the purchase of books for the RSA's library.

c) Endowment funds

The Endowment funds are trusts set up by individual donors in support of specific purposes such as named lectures and preservation of historic buildings. £382k income arising from the expendable endowment was included in unrestricted funds (2023: £384k), while £17k was included in restricted funds (2023: £17k) in accordance with the requirements of the funds. During 2017/18, the RSA gained permission from the Charity Commission to take a loan of up to £3.5m from the Shipley Expendable Endowment Fund to fund the redevelopment of the RSA House. Of this amount, £2.5m was used and transferred to general funds in 2018/19. Repayment began in 2019/20 with the transfer of £250k from general funds to the endowment. No repayment was made in 2020/21 as it is paid for by the return on the redevelopment of RSA House and, due to Covid-19, RSA House made a loss in that year. Repayments resumed in 2021/22. In 2023/24, Trustees decided to reduce repayments to the minimum requirement of £192k pa.. As previous annual payments were higher than this, only £19k was repaid this year to bring the total repaid to date to the agreed minimum. Repayments to date total £769k, leaving a balance still to be repaid as at 31 March 2024 of £1.73m.

Notes to the financial statements 31 March 2024

11. Funds – continued

d) Analysis of net assets between funds

	Tangible and intangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities £'000	Fund balances £'000
Unrestricted funds					
Designated fixed asset reserve	9,844	-	-	-	9,844
Designated legacy reserve	-	29	-	-	29
Designated Design for Life reserve	-	-	191		191
General reserve	-	8,289	2,936	(1,500)	9,725
	9,844	8,318	3,127	(1,500)	19,789
Restricted income funds	-	464	176	-	640
Endowment funds					
Expendable	-	11,844	-	-	11,844
Permanent	-	584	-	-	584
	-	12,428	-	-	12,428
Total funds	**9,844**	**21,210**	**3,303**	**(1,500)**	**32,857**

12. Pension schemes

The Consolidated Statement of Financial Activities includes contributions by the Charity to the Group Personal Pension scheme of £226k (2023: £245k).

13. Taxation

As a registered charity the RSA is not liable to taxation on its income and capital gains so long as they are used for its charitable purposes.

14. Related parties

There were no related party transactions in the reporting period that require disclosure.

15. Subsidiary undertakings

a) RSA Adelphi Enterprises Limited

The company principally operates a hospitality business within the RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly-owned subsidiary and is incorporated in England and Wales. Two members of the RSA Trustee Board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £100 represented by 100 shares of £1 each. The shares are not disclosed in the balance sheet below because they round down to £0k.

i) Summary of profit and loss account for RSA Adelphi Enterprises Limited (company number: 02784581)

	2024 £'000	2023 £'000
Turnover	4,116	3,580
Cost of sales	(2,832)	(2,079)
Gross profit	**1,284**	**1,501**
Other expenses	(1,052)	(1,029)
Net profit	**232**	**472**
Bank interest	14	4
Gift aid paid to RSA	(477)	(297)
Net movement in funds	**(231)**	**179**

ii) Summary of balance sheet for RSA Adelphi Enterprises Limited

	2024 £'000	2023 £'000
Current assets:		
Stocks	18	24
Debtors	361	272
Cash	812	1,043
Owed by group	-	-
	1,191	**1,339**
Creditors:		
Creditors	176	191
Payments received on account	543	491
Owed to group	226	171
Other creditors	-	9
	945	**862**
Net assets/share capital	**246**	**477**

Notes to the financial statements 31 March 2024

15. Subsidiary undertakings – continued

b) RSA Shipley Enterprises Limited

The company principally operates a consultancy business within the RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly-owned subsidiary and is incorporated in England and Wales. Two members of the RSA Trustee Board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £1, represented by 1 share of £1. The share is not disclosed in the balance sheet summary below because it rounds down to £0k.

i) Summary of profit and loss account for RSA Shipley Enterprises Limited (company number: 08716337)

	2024 £'000	2023 £'000
Turnover	193	76
Cost of sales	(113)	(41)
Gross profit	**80**	**35**
Other expenses	(48)	(19)
Net profit	**32**	**16**
Gift aid paid to RSA	(13)	(121)
Net movement in funds	**19**	**(105)**

ii) Summary of balance sheet for RSA Shipley Enterprises Limited

	2024 £'000	2023 £'000
Current assets:		
Debtors	83	7
Cash	40	50
	123	**57**
Creditors:		
Creditors	16	4
Owed to parent	75	40
	91	**44**
Net assets/share capital	**32**	**13**

15. Subsidiary undertakings – continued

c) Reconciliation of subsidiary results to group reporting

	2024 £'000	2023 £'000
Income from trading activities	4,206	3,538
Expenditure on trading activities – direct costs	(3,349)	(2,793)
Contribution to RSA overheads	**857**	**745**
Expenditure on trading activities – support costs	(688)	(682)
As reported in RSA consolidated financial statements	**169**	**63**
Add back support costs apportioned to activity for group reporting purposes	688	682
Add back direct costs incurred by parent allocated to activity for group reporting	197	688
Add back intercompany charges eliminated upon group reporting consolidation	(790)	(945)
RSA Adelphi/Shipley Enterprises reported profit	**264**	**488**

d) Other subsidiary undertakings

The RSA also has two other subsidiary undertakings as follows, none of which are consolidated, as they would not materiality affect the figures reported in or presentation of, the consolidated accounts.

(i) RSA ANC Limited also known as RSA Oceania, a corporation established for charitable purposes under the laws of Australia.

(ii) The Fellows of the RSA in the United States also known as RSA USA, a corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania.

16. Parent charity result

	2024 £'000	2023 £'000
Income and endowments	9,171	10,411
Expenditure	(10,176)	(10,784)
Gift aid income from subsidiaries	490	418
Net income/(expenditure) before net gains/(losses) on investments	(515)	45
Net gains/(losses) on investments	1,899	(1,018)
Net movement of funds	**1,384**	**(973)**

Notes to the financial statements 31 March 2024

17. Comparative statement of Financial Activities

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	2023 total £'000
Income and endowments from:						
Donations and legacies						
Fellowship donations		5,810	-	-	-	5,810
Other donations and legacies		642	-	23	-	665
Trading activities		3,538	-	-	-	3,538
Investment income		575	-	46	-	621
Charitable activities						
Programme of projects		1,029	-	1,150	-	2,179
Programme of lectures and events		30	-	-	-	30
Other income		37	-	-	-	37
Total income	2	11,661	-	1,219	-	**12,880**
Expenditure on:						
Raising funds						
Fellowship administration		1,305	75	4	-	**1,384**
Trading activities		3,132	342	-	-	**3,474**
Charitable activities						
Programme of projects		2,658	545	1,205	-	**4,408**
Programme of engagement		3,188	185	123	-	**3,496**
Total expenditure	3	10,283	1,147	1,332	**-**	**12,762**
Net income/(expenditure) before net gains/(losses) on investments		**1,378**	**(1,147)**	**(113)**	**-**	**118**
Net gains/(losses) on investments	8	(390)	-	(48)	(580)	**(1,018)**
Net income/(expenditure)		**988**	**(1,147)**	**(161)**	**(580)**	**(900)**
Transfers between funds	11	(1,239)	989	-	250	-
Net movement of funds		**(251)**	**(158)**	**(161)**	**(330)**	**(900)**
Reconciliation of funds						
Total funds brought forward		8,971	10,934	1,047	11,633	**32,585**
Total funds carried forward		8,720	10,776	886	11,303	**31,685**

Our Impact Report is a digital copy. The production and disposal of paper involve significant energy consumption and greenhouse gas emissions. Reducing paper usage helps mitigate these environmental impacts.

Our vision is a world where everyone can fulfil their potential and contribute to more resilient, rebalanced and regenerative futures.

Join us to support our Design for Life mission today.

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RSA (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERC

England & Wales - Charity number 212424

Accounts

RSA

Impact Report and financial statements

for the year ended 31 March 2023

IMPACT

2022-23



Contributors

Patron of the Society

Her Majesty The Queen
until 8 September 2022

President

Her Royal Highness
The Princess Royal

Trustees

Tim Eyles
Chair

Charlotte Oades
Deputy Chair
from October 2022

Philippa Wilson
Deputy Chair
until October 2022

Ian Ailles
Co-treasurer

Jill Humphrey
Co-treasurer
reappointed October 2022

Yemi Adeola
until October 2022

Sandra Boss
from October 2022

David D'Souza
from October 2022

Claire Doran
from October 2022

Andrea Kershaw

Hosein Khajeh-Hosseiny
from October 2022

Sam Lewis

Shonagh Manson
until October 2022

Don McLaverty
until October 2022

Jan Portillo
until October 2022

Shaifali Puri

Tony Sheehan
from October 2022

John Towers

Principal Office

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London WC2N 6EZ

Leadership Team

Andy Haldane
Chief Executive Officer

Sascha Taylor
Chief Operating Officer
from January 2023

Andrea Siodmok
Chief Impact Officer
until December 2022

Mark Blair
Director of Finance
from February 2023

Kimberly Bohling
Director of Research
and Learning
from April 2023

Nina Bolognesi
Director of Content
and Engagement
until March 2023

Joanna Choukeir
Director of Design
and Innovation

Hannah Fox
Director of Finance
until December 2022

Fariba Kellaway
Director of Development
until December 2022

Line Kristensen
Director of Fellowship
from March 2023

Tom Stratton
Chief of Staff
from July 2022

Constitution

The RSA is a charity governed by a Royal Charter (RC000523). It is registered under the Charities Act 2011. Registration number 212424.

The RSA is also registered in Scotland. Registration number SC037784.

Auditors

Moore Kingston Smith LLP
9 Appold Street
London EC2A 2AP

Bankers

Coutts & Co.
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Pension Consultants

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Surveyors and Property Consultants

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Solicitors

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Investment Managers

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Senator House
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1 Chair and Chief Executive's introduction

Over the past year, the RSA has begun to put into practice its transformative new mission, Design for Life, which was published in May 2022.

Design for Life has taken the form of 12 policy interventions, all of which are focused on delivering on-the-ground, resilient, rebalanced, and regenerative futures for people, places, and the planet. While these interventions are at various stages of the pipeline, we have seen great progress on all of them.

For example, last year we launched our UK Urban Futures Commission, an ambitious enquiry to unlock the potential of the UK's major cities. The commission is working with city leaders and citizens to develop a transformative plan for their future, nurturing social, economic, and environmental systems in tandem.

The RSA has assumed centre-stage when nurturing the future of the creative industries, including co-hosting the Creative Industries Policy & Evidence Centre (PEC) at RSA House. In June 2023, we began working with local leaders to foster creative-industry clusters, starting with the Northern Creative Corridor. This is with a view to developing a blueprint for creative clusters across all four corners of the UK, as a vehicle for creating jobs and skills, health and happiness.

Through our Design for Life mission, we are seeking to reformulate lifelong education and learning. To that end, the successful first phase of our Cities of Learning programme came to a close this year, building a 'whole place' skills eco-system across a number of UK cities. This has connected often fragmented skills systems, convened often disparate skills providers, reached often hard-to-reach learners, and rewarded often unrecognised skills and attributes through digital badging. Given its success, we are now scaling up this programme across the UK.

Outside policy interventions, there have also been important transformations to other RSA activities.

With Fellows in more than 90 countries, the RSA is a truly global organisation. And our strategy is to deepen and widen that global footprint in the years ahead, including by expanding the scope of our global affiliates and partnering with other global networks. In March this year, we launched our brand-new global digital platform for Fellows, Circle. Circle offers Fellows an opportunity to connect and collaborate as never before. As Circle rolls out, we are excited to see it flourish as a global marketplace, not just for ideas but for action..

We would like to extend our appreciation and gratitude to RSA colleagues and our 31,000-strong Fellowship. They have provided the commitment and support, ideas and inspiration needed to take forward our transformative programme of change, expanding dramatically the reach and depth of our social impact.

We would also like to extend our gratitude to our late patron, Her Majesty Queen Elizabeth 11. We were deeply saddened by Her Majesty's passing in September 2022. Her Majesty served as our president from 1947 to 1952 and subsequently became our patron from 1953 onwards. Her unwavering commitment to public service embodied the values and vision of the RSA. This is a pivotal moment for the RSA. The next chapter in the RSA's illustrious history is now being written, as we seek to shift mindsets and systems to a world where regeneration, rather than sustainability, is the watchword and action plan. This is in the best traditions of the RSA, as a place where world-leading ideas are turned into work-changing action.



Tim Eyles
Chair



Andy Haldane
Chief Executive





We are the RSA, the Royal Society for Arts, Manufactures and Commerce. We are committed to regenerating our world through collective action.

Our mission is to enable people, places, and the planet to flourish in harmony.

Our vision is for a world where everyone can fulfil their potential and contribute to more resilient, rebalanced, and regenerative futures. We believe everyone has the potential and creativity to effect change.

We work with people throughout their lives, and across society, to achieve regenerative impact: from children and young people to entrepreneurs, businesses, and communities.

Our approach to change involves many different disciplines and perspectives.

We are the RSA. Where world-leading ideas are turned into world-changing actions.

Our work focuses on three areas. These are:

1 Building capabilities

Change starts with supporting people to learn and lead. At the heart of Design for Life is the commitment to building the skills, connections, and confidence people need to fulfil their potential.

2 Growing hubs

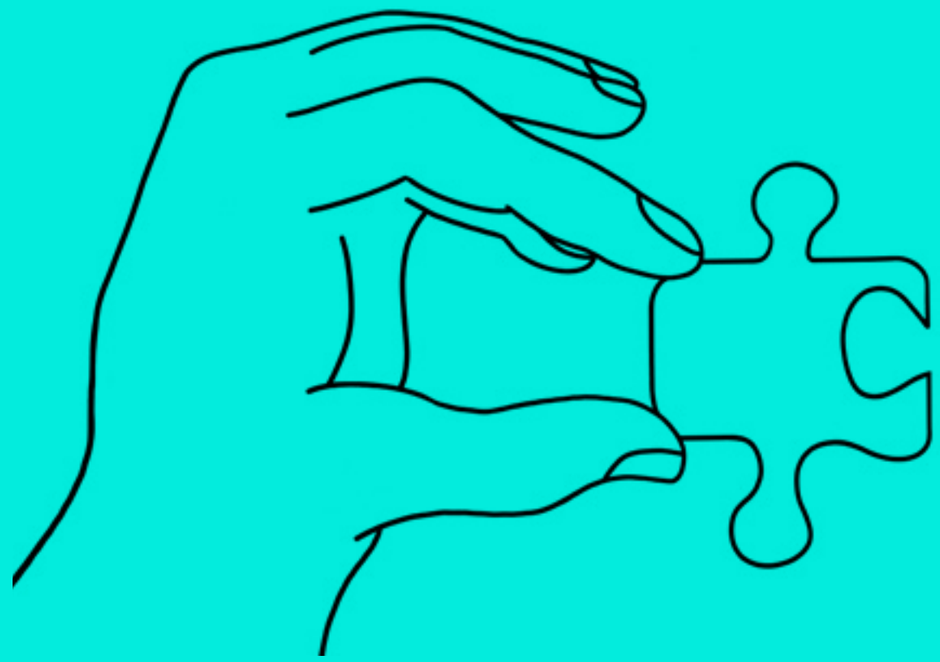
People effect change by coming together. Design for Life grows the connections that organisations, communities, industries, and regions need in order to flourish.

3 Developing infrastructure

We are aiming for systemic, long-term change. Design for Life develops and influences the conditions needed to enable people, communities, and organisations to regenerate our world.

Our values

Open	**Always inclusive, transparent and honest, we welcome new thinking and different perspectives**
Optimistic	**We are confident that together, we can regenerate our world through collective action**
Courageous	**We champion curiosity, creativity and bravery to inspire better ways of thinking and doing**
Rigorous	**Rooted in evidence-led thinking, we act with integrity and purpose**
Enabling	**Through generosity, respect and collaboration, we help others succeed**



The **Design for Life** mission requires a refreshed organisational

STRATEGY

to detail how we plan to translate ambition into impact.

The RSA's new strategy has been designed around two key principles.

1 Our mission will only be realised as ONE RSA, comprising staff, Fellows, and partners, working collaboratively and with common purpose.

2 It must articulate as clearly as possible what success looks like and how we plan to measure it.

Speaking to the first principle, our strategy organises the RSA into three 'instruments for change' that encompass the entirety of our organisation:

- **Design for Life interventions:** a programme of collective action uniting people and ideas to regenerate our world.
- **Our Fellowship:** a unique global network of changemakers enabling people, places, and the planet to flourish in harmony.
- **RSA assets:** our people, platforms, heritage, and RSA House, all of which can be deployed in pursuit of regenerative futures.

The second design principle demands the RSA identifies metrics to quantify its objectives and measure progress against them. We have termed these metrics 'key value indicators' (KVIs). These stand apart from key performance indicators, as they solely focus on measuring the social value created by the organisation's activities.

Each instrument for change has a set of KVIs associated with it.

Our strategy

The social value delivered through all of our work will be measured using the RSA's outcomes framework (see below). We are focusing on outcomes, as they are easier to attribute directly to the RSA's activities, as opposed to 'impacts', which are the longer-term regeneration of capital across the economic, social, and environmental systems that sit at the heart of the RSA's DfL mission.

This framework serves to encourage consistency in how intended outcomes are described and evaluated across the RSA's interventions. This consistency will support us in aggregating these outcomes into a small set of KVIs at the organisational level.

Long term, our outcomes lead us to achieving regenerative impact, which we define as 'tangible progress towards improving the health of our interwoven social, natural, and economic systems and their ability to restore and replenish one another. This moves us forward from a passive "do no harm" principle of sustainability, to an active "do more good" principle of regeneration.'

Design for Life: a framework for outcomes and impacts

Design for Life perspectives: these guide how we design and deliver our work

Systemic	Imaginative	Adaptive	Collective	Long-time	Local for Global
We see and change systems in nested, interconnected, and reciprocal ways: economic, social, and environmental.	*We draw on our capacity for the imagination to create hopeful alternatives to the reality we know.*	*We recognise change is living as we design, iterate, grow and release to improve ways forward.*	*We bring the wisdom and diversity of the collective - from social to ecological ingenuity - to transform whole systems.*	*We hold a long-term view of success and consequence, beyond this generation, to leave the world in a better place.*	*and authenticity of place and context; people, assets, heritage, climate, biodiversity and culture.*

3 RSA Instruments

1 Interventions	2 Fellowship	3 Assets
A programme of collective action	A unique global network of change-makers	Our people, platforms, heritage and House

Inputs What we put into the work

Activities What we do

Outputs What we

Outcomes: everything we do leads to shifts in at least one of the following:

- Capabilities
- Opportunities
- Connections
- Actions
- Policy
- Financial resources
- Infrastructure

at the individual, community/ organisational, and/or system level, and which leads towards regenerative impact

Impact: everything we do is designed to regenerate at least one capital, without degenerating any other



Economic Regeneration
Building an economy which regenerates people, places and planet

Social Regeneration
Growing an equitable, cohesive and healthy society where everyone fulfils their potential

Environmental Regeneration
Restoring and regenerating ecosystems that support the wellbeing of all

The Fellowship sits at the heart of the RSA's social change mission. It is essential that we are explicit about how the organisation proposes to harness its potential – and measure our success in doing so. Consultation with staff and the Fellowship suggests there are two distinct roles the RSA can play in supporting Fellows to deliver social impact, and these form the basis of our organisational KVIs.



KVI name	Description of intended impact	KVI
Fellowship engagement in DfL mission	Fellows can connect with staff and the wider fellowship to engage and participate in DfL interventions and content.	Proportion of Fellows who feel engaged with the RSA's DfL mission and have suitable opportunities to get involved.
RSA as a platform for social change	Fellows participate in Fellowship networks, draw on readily available RSA resources, and feel a sense of belonging that supports them to pursue the overall DfL vision of a more regenerative world in their personal lives, local community, organisation, and the wider system.	Proportion of Fellows that value the RSA as a community, deriving the connections and ideas to support their social-change aspirations.

Our strategy

Turning to assets, our consultations have identified four key components through which to achieve social impact, each of which has an associated KVI. These align with Actions, Opportunities, Connections from our outcomes framework.

KVI name	Description of intended impact	KVI
RSA House	RSA House, as the RSA's physical 'home', makes a regenerative contribution to people using the building, the local community, the economy, and the environment.	Proportion of those using the building who make a social, economic, or environmental impact as a result of using our House. Demonstration of regenerative impact on the local community, economy and environment.
RSA Hospitality	Our catering and hospitality partners take a regenerative approach to and reflect our shared values in all their work.	Delivery of the hospitality partner's ESG plan.
RSA Platforms	Our public events and the *RSA Journal* convene a diverse audience and impart regenerative ideas and tools for participants to effect regenerative change individually, in their community, organisation, and wider systems.	Proportion of people that, having read the *RSA Journal* or attended an RSA event, would do something different as a result.
Our People	Our people – staff, Fellows, associates, volunteers, and partners – reflect our regenerative mission, values, and commitments to diversity and inclusion in all their work with the RSA.	Proportion of people understanding their role within, feeling connected to, included within, and belonging to the RSA's mission through their work with the organisation.

In most cases data to support these KVIs does not yet exist, which poses some short-term challenges, the most pressing of which is that it will not be possible to set ourselves targets until early 2024, as there is no historical data to guide us on what is a sensible number. However, over the coming year the plan is to set five-year targets for all KVIs. Given many metrics are new, we will have to monitor how effective they are as KVIs in capturing the value we are seeking to create. This means, in time, we will need to remain open to revisiting and iterating on the KVIs and the overarching outcomes framework.



RSA House makes a **regenerative contribution** to people using the building, the local community, the economy, and the environment.



WorkNest commented:

"The analysis of the diversity information indicates that the RSA is an **exemplar employer** for both **diversity** and **pay equality**."

OUR PEOPLE

An external diversity audit carried out by WorkNest in October 2022 demonstrated that:

63 %
(65 % FY2021–22) of our team are female.

26 %
(24 % FY2021–22) of our people are from minority ethnic backgrounds, which reflects the ONS statistics of the working population in London.

9 %
(8 % FY2021–22) of our team are from the LGBTQ+ community.

4 %
(7 % FY2021–22) of our people describe themselves as having a disability.

The RSA (mean) gender pay is
–2.6 %
This indicates that, overall, women employees receive slightly higher pay than men.

The total headcount as at 31 March 2023 was **111 staff** (104 FTE), of which 11 were part-time and 27 worked flexibly.

DESIGN FOR LIFE





1 Launching a new mission

In early 2022, the RSA took pause to reflect on the challenges the world is facing, and the vital role we should play at this time: one that makes the most of our strengths and heritage in shaping a better world. Amidst an era of interconnected and interdependent polycrisis that has rendered our world fragile, unbalanced, and degenerative, it's critical that our work aims to increase the vitality of our economic, social, and environmental systems in mutual reciprocity. This diagnosis led to the shaping and launching of the RSA's new Design for Life strategy, with a vision for a world where everyone can fulfil their potential to contribute to more resilient, rebalanced, and regenerative futures. With this bold vision, we set out on a single, unified mission to enable people, places, and the planet to flourish in harmony.

2 Co-designing for pathways

Through our Design for Life programme, this past year has been exploratory and experimental. We believe that everyone – throughout their lives and across society – has the potential to regenerate our world. We mobilised seven working groups to focus on the following areas: early years, pupils, students, entrepreneurs, businesses, places, and systems. Each working group included a multidisciplinary team across design and innovation, research and learning, delivery and partnerships, as well as a Fellowship Councillor, wider stakeholders, funders, and Fellows. Each group engaged in a co-design process over the summer, developing a set of interventions with the highest potential for impact. Overall, we engaged with over 1,500 Fellows, partners, and participants to shape and deliver the interventions that followed, and we're incredibly grateful to our diverse global community for all their contributions.

3

Developing interventions

By autumn, we had a set of 12 interventions across pathways that were ambitious but feasible, desirable, and viable to progress further. These interventions were similar to an innovation pipeline of impact start-ups. Broadly, the interventions centred around three areas that spoke to their common mechanisms of change:

- **Building capabilities.**
  At the heart of our Design for Life mission is the commitment to understanding and unlocking the confidence, capabilities, and connections of children, learners, and entrepreneurs of all ages. We want to help them reach their full potential in how they shape a regenerative world. This is what Playful Green Planet and our awards interventions – the Design for Life Awards – focus on.

- **Growing hubs.**
  People can best effect change by coming together as collectives and movements. Design for Life supports the growth of societal hubs, whether in places or across regions, in businesses, or across industries. The interventions that capitalise on this collective and networked capacity include the UK Urban Futures Commission, Cities of Learning, Creative Clusters, and the Business Capabilities Enquiry.

- **Developing infrastructure.**
  At a system-wide level, Design for Life aims to develop and influence the supporting conditions – our social infrastructure – that people, communities, and organisations need to drive regenerative change in the long term. This area included interventions such as Knowledge Commons, Social Connections, Digital Badging, and the Outcomes Framework.

A brief outline of some of these interventions

Area of focus	Pathway	Intervention	Mission
Building capabilities	Early years	Playful Green Planet	Co-creating nature-based learning spaces and activities for 3–11-year-olds in urban areas, using creativity to build strong connections with nature and community.
	Pupils, students, entrepreneurs	Design for Life Awards	Offering collaborative and inclusive learning experiences for children, learners, and entrepreneurs, helping them grow the capabilities and ideas needed for a regenerative world.
Growing hubs	Companies	Business Capabilities Enquiry	Exploring and cultivating the capabilities required to ensure business aims and practices contribute towards a regenerative economy.
	Places	UK Urban Futures	Unlocking the potential of UK cities, to drive economic, social, and environmental improvements for people and for the country.
		Cities of Learning	Connecting and catalysing place-based lifelong learning to unlock opportunities for a regenerative economy.
		Creative Clusters	Nurturing clusters of creative excellence through evidence-gathering and action to grow the impact of the creative industries, and creativity in industry.
Developing infrastructure	Systems	Knowledge Commons	Sharing the best regenerative ideas, research, and practice through open-source platforms, and engaging communities of changemakers to contribute, remix, and share knowledge for the common good.
		Social Connections	Strengthening diverse social connections in different learning, community, and work settings to enhance social mobility.
		Digital Badging	Championing digital badging as a recognised learning hallmark for informal learners of all walks of life, especially for the skills needed for a regenerative economy.
		Outcomes Framework	Developing an alternative approach to valuing and evaluating impact at the RSA that lives up to our regenerative ambitions.

4 Committing to impact

By March 2023, Design for Life interventions were at different stages of development, with some in active delivery, others ready for piloting, and a few still being designed. Below are snapshots of impact to date from just three of these interventions:

Building Capabilities > Design for Life Awards

Design for Life Awards will launch in 2024, with the 100th anniversary of the Student Design Awards, integrating all our existing awards and transforming them so that they are even more inclusive and meaningful learning experiences through collaborative innovation – think the Duke of Edinburgh's Awards for social impact!

This past year, we made the most of our current awards to experiment with some of these ambitions. For example, we aligned all innovation briefs on Pupil Design Awards, Student Design Awards, and Catalyst to focus on regenerative missions.

With the Student Design Awards, we focused this year on diversifying access and enhancing learning experiences. The launch of the awards cycle saw briefing sessions for educators and learners, engaging 294 live attendees from a range of disciplines including architecture, service design, game design, material futures, biochemistry, social innovation, and more. We delivered nine bespoke visits across universities and further education colleges, engaging with over 430 students. We then developed our learning offer, looking to support educators and students while aligning with the RSA's overarching mission and nurturing the capabilities needed for a regenerative future. We expanded our learning workshop series to eight sessions, inspired by our Design for Life perspectives, including workshops focused on future thinking, regenerative practice, and storytelling for impact for the first time.

This series was also the initial test in offering certain workshops to Pupil Design Awards' teachers, further supporting alignment across the awards and developing their skills to better support pupils. Ninety per cent of participants said our workshops supported them to improve/gain new skills, and 88 per cent told us they improved their subject area understanding. The awards received a total of 534 entries, with a nationality split of 57 per cent UK and Ireland, and 43 per cent international. We received submissions from 22 different countries, 116 institutions, and 115 courses across higher and further education.

Similarly, on Catalyst, we designed and offered a learning journey for the first time ever in summer 2023, to grow the regenerative entrepreneurship capabilities in the cohort.

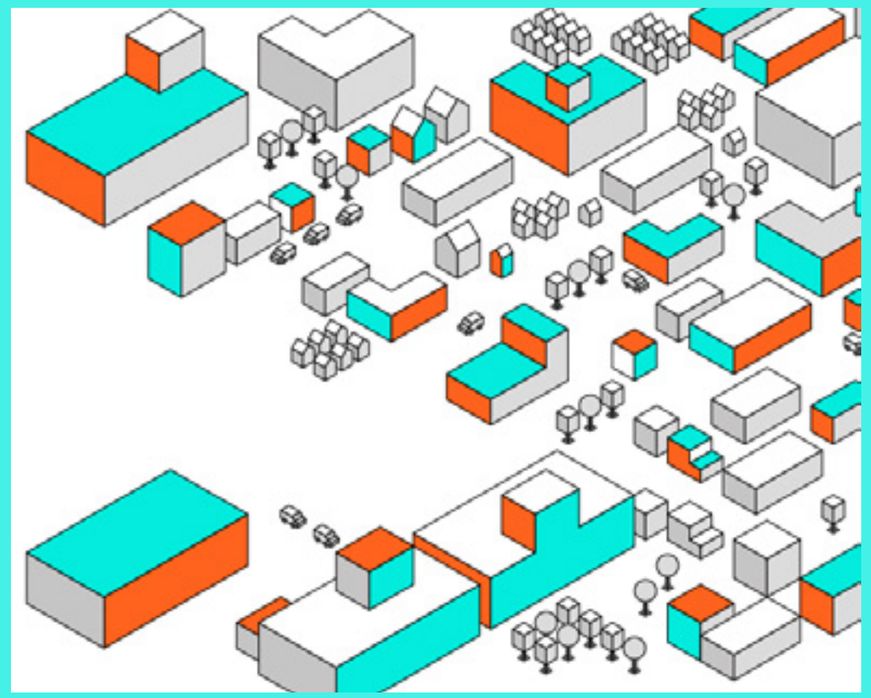
534 entries with 57 per cent from UK and Ireland and 43 per cent international





"I'm excited to take my winning project further and be part of an RSA community."

Rhiannon Beddoe, SDA Winner



"If you have a **digital badge** for proof that you've done something, it will stand out to employers and make them **believe in you**."

Jake, awarded a Cities of Learning digital badge

Growing Hubs > Cities of Learning > Growing Impact

More than 25,000 badges issued

In 2022–23 the RSA's Cities of Learning leadership programme worked with teams in Bradford, Belfast, Tees Valley and Cambridgeshire, and Peterborough while continuing to work with our pilot places, Brighton and Hove, and Plymouth. More than 25,000 RSA standard badges have been issued across these cities and regions to date, to validate learning experiences of learners of all ages in pathways as diverse as interview skills, digital marketing, stop-motion animation, and construction.

More than 600 organisations issue RSA standard badges. Excitingly, we are beginning to see FE Colleges within the City of Learning network using badges to recognise the additionalities that their courses offer that are not recognised in formal qualifications, such as digital skills and communication skills, as well as using badges to recognise skills that respond to local employer needs, such as Weston College's Workplace Skills and Behaviours.

City of Learning leads within the network meet monthly to share good practice and knowledge. Our ambition in the next year and beyond is to build on the Cities of Learning offer from a one-year support programme operating at delivery level to a multi-year strategic partnership, where the RSA can support a region at a mayoral level to build their strategy and infrastructure to transform lifelong learning and develop the capabilities needed for the transition to a regenerative future.

"After a year of adapting the Cities of Learning model in our region, we've realised that **digital badges are not only invaluable for learners to recognise their hidden skills, but also tools to help build relationships** between employers, learning providers, young people, and place leaders."

Heather Walker, Creative Place Development Officer, Tees Valley Combined Authority; Region Lead, Tees Valley Region of Learning

Developing Infrastructure > Knowledge Commons

The RSA was founded 269 years ago. Based on open principles for the common good, early activities involved purchasing patents only to release them to the public to better stimulate innovation in industry. Over the last year, we explored what this might look like in the 21st century for all forms of knowledge and assets: The Coffee House, the events programme, the library, the archive, the Fellowship, and our research and innovation work. Following a discovery process with thought leaders, practitioners, colleagues, and Fellows, we are in the process of developing an RSA Knowledge Commons standard to ensure that the way we create, curate, and manage knowledge shifts over time to become open, commonly shared, and owned.



The RSA Knowledge Commons standards we aspire to meet are:

1. **Usable:** Easy and intuitive for anyone to find and use.
2. **Accessible:** Accessible to everyone regardless of ability.
3. **Open:** Open to everyone to use and share with attribution.
4. **Reciprocal:** Encourages everyone to create, contribute, and improve.
5. **Mission-orientated:** Curated, updated, adapted, and stored to regenerate people, places, and the planet.

"**I really believe in the value of this attempt**, and I would really like to see more organisations participate in something like this. [...] I have huge resistance to the fact that a lot of knowledge [on regenerative missions] is trademarked... In my experience that inhibits people going out and **using the knowledge**".

Jenny Andersson, Knowledge Commons Advisory Group, RSA Fellow, Co-founder of The Really Regenerative Centre

5

Looking ahead

In the spring of 2023, we launched our commitment to working in the open with Fellows and partners, sharing progress along the way to tap into the collective intelligence of our brilliant community and to improve accountability and transparency. We will share work and invite input in the form of blogs, on Circle – our global online space for Fellows to chat, connect, and collaborate – and through our monthly Design for Life hybrid Coffee House events.

We also set out an ambitious framework for the Design for Life programme of work, with outcome aspirations at the individual level (building agency, capabilities, and opportunities), community/organisational level (growing connections, ideas, and action), and systems level (developing and influencing policy, financing, and infrastructure).

At the impact level, we are committed to regenerating all of the following capitals:

- **Economic regeneration.** Building an economy that mutually regenerates people, places, and the planet.
- **Social regeneration.** Growing an equitable cohesive and healthy society where everyone fulfils their potential.
- **Environmental regeneration.** Restoring and regenerating ecosystems that support the well-being of all.

As we continue to accelerate the development and delivery of Design for Life interventions over the coming year, setting impact ambitions and evaluating these will be critical. Each intervention will be developing five-year impact and evaluation plans with specific, relevant, and measurable key value and performance indicators, in line with the outcome and impact aspirations set out above. This will enable us to regularly monitor and reflect on what each intervention is achieving, to learn and iterate in an open and agile way, and to maximise the potential of each intervention, or desist and release and reinvest resources differently where needed.



Public events and ideas platform

In 2022–23, RSA public events attracted **15,000** in-person and online attendees, and featured more than **150** speakers, whose world-leading ideas have the potential for truly world-changing impact.



150
public events speakers

We welcomed leading and emerging public thinkers, innovators, and changemakers who brought a diverse range of perspectives to illuminate our interconnected social, economic, and environmental challenges – meeting the age of permacrisis with imagination, ingenuity, and practical optimism.

Across hybrid and fully digital events, speakers joined us from across the UK and from around the world, including from the US, Kenya, Bangladesh, India, Thailand, and Australia.

RSA events content now reaches more than 770,000 YouTube subscribers, informing and inspiring growing global audiences, with fresh and hopeful thinking to shape positive futures for people, places, and the planet.

In 2022–23, RSA events and animations achieved 4.5m online views. Viewer demographics split 51 per cent female to 49 per cent male, and 46 per cent of our views come from 18–34-year-olds. Our videos are viewed in more than 100 countries worldwide and are most popular in the US, UK, Canada, Australia, India, Germany, the Netherlands, Brazil, the Philippines, and France.

Our ambition for the programme is to continue to reach new audiences via increasingly innovative, globally inclusive hybrid events and to equip viewers with the knowledge and capabilities to effect regenerative change in organisations and communities worldwide.

Highlight events over 2022–23 included biomimicry pioneer and Bicentenary Medallist Janine Benyus showing how we bring nature's genius to the design table; Andrew Mawson and Sam Everington accepting the Albert Medal for their leadership in the field of social prescribing; as well as powerful keynote addresses and conversations, featuring epidemiologist Michael Marmot, engineer Jo da Silva, astronomer Royal Martin Rees, nature writer Robert Macfarlane, Nobel Peace laureate Oleksandra Matviichuk, Barbadian Prime Minister and Just Transition champion Mia Amor Mottley, and former Archbishop of Canterbury Rowan Williams.

Emerging new expert voices, from journalist Vicky Spratt to teacher Jeffrey Boakye and campaigner Jeremiah Emmanuel, shared their experiences of investigating and confronting systemic social issues from housing inequality to educational inclusion, and building new movements for youth agency and empowerment.

New RSA research insights and analysis informed panels on global good work, the links between social capital and economic mobility, and leading-edge practice in regenerative learning. And new events formats were introduced and warmly received by the Fellowship, from the new 'An Evening with…' series, providing an evening of entertainment with thought-provoking guest speakers, including poet



15,000
in-person and online public events attendees

Inua Ellams, historian David Olusoga, musician Gary Kemp, and restaurateur and television presenter Prue Leith, to a vibrant and uplifting inaugural Fellows Festival, which drew more than 300 visitors to RSA House and featured an exciting mix of changemaker workshops, pop-up talks, panels, and performance. Festival speakers joined us on stage and via video link from around the world, and included cabinet ministers and young climate campaigners, from education secretary Nadhim Zahawi to Shadow Secretary of State for Climate Change and Net Zero Ed Miliband, from FT editor-at-large Gillian Tett to youth activist Daze Aghaji to the Mayor of Waterloo, Iowa, Quentin Hart, with discussion topics for the day covering 'good work and good business', 'unlocking the power of place', and 'creating learners for life'.

770,000
YouTube subscribers

100
countries view RSA online content

4.5m
RSA events and animations online views

Fellows, Catalyst, and affiliates

Our Fellows

In the past year, our Fellowship has reached new heights. Through successful initiatives such as 'Fellow get Fellow' campaigns, process improvements, and enhanced cross-marketing, we surpassed our target, ending the financial year with a historic high of 31,184 Fellows.

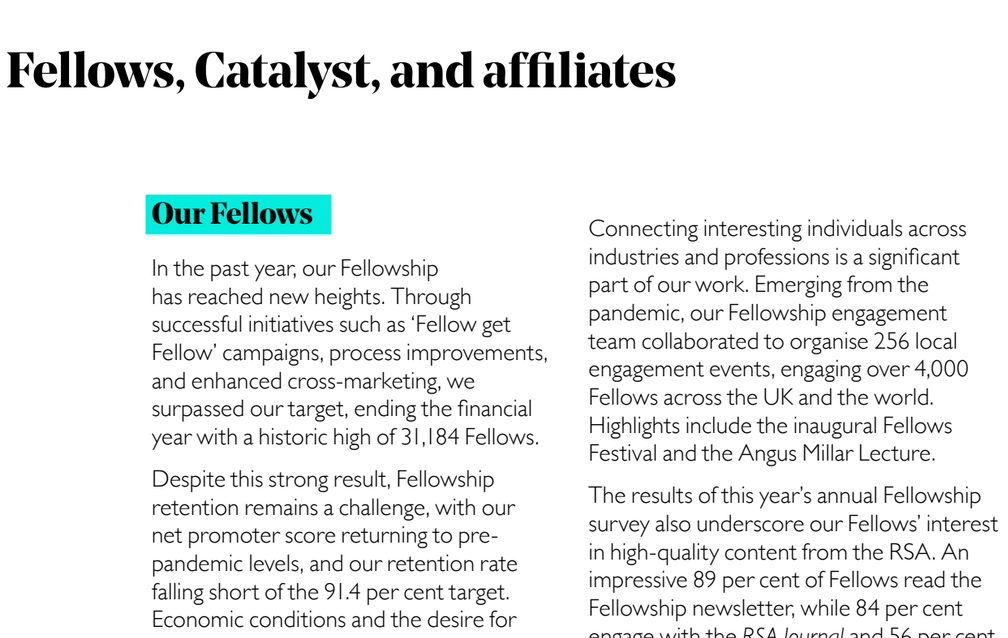
Despite this strong result, Fellowship retention remains a challenge, with our net promoter score returning to pre-pandemic levels, and our retention rate falling short of the 91.4 per cent target. Economic conditions and the desire for more engagement opportunities contribute to this. The annual Fellowship Survey also highlighted a strong appetite for engagement opportunities, particularly in more geographically dispersed areas.

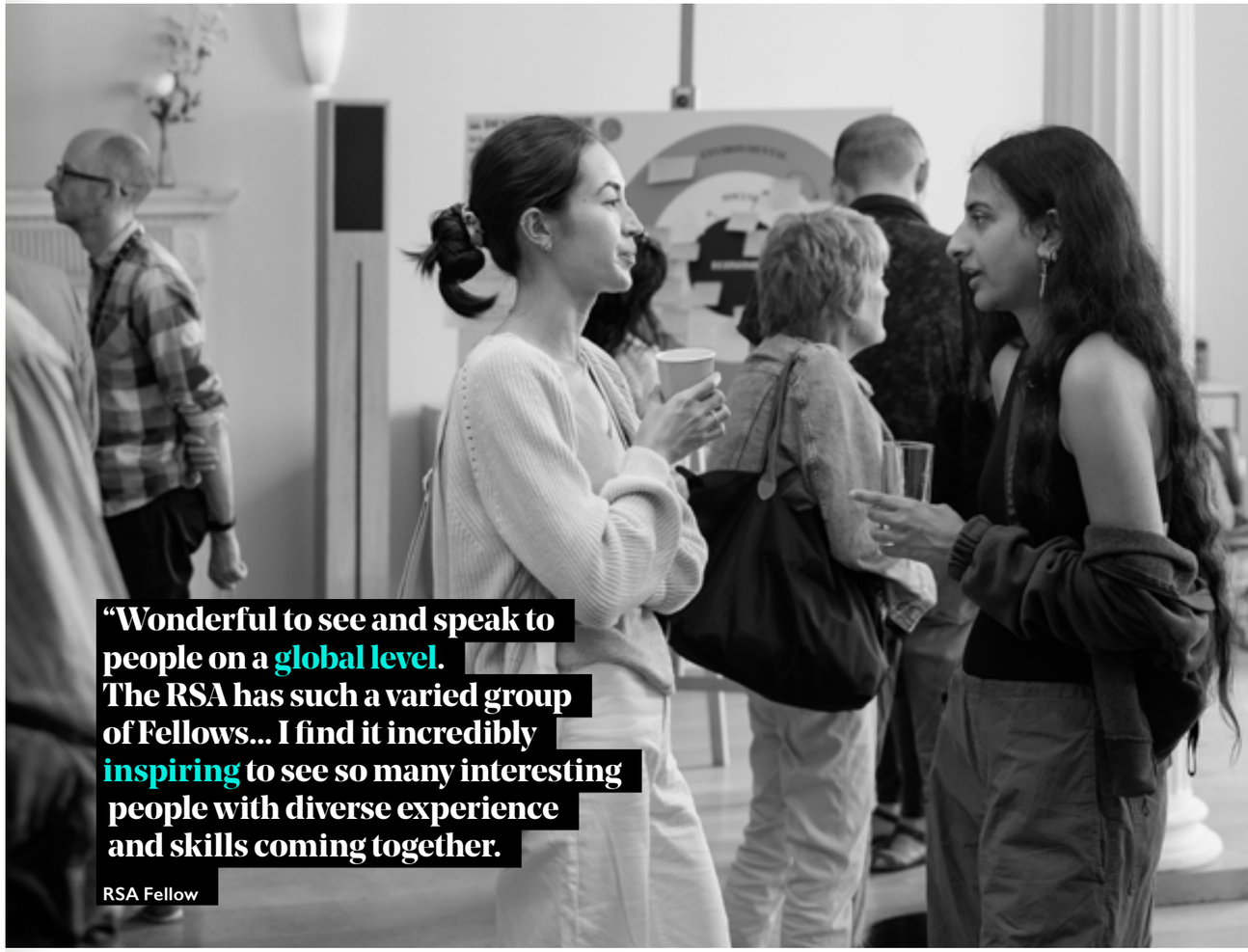
Connecting interesting individuals across industries and professions is a significant part of our work. Emerging from the pandemic, our Fellowship engagement team collaborated to organise 256 local engagement events, engaging over 4,000 Fellows across the UK and the world. Highlights include the inaugural Fellows Festival and the Angus Millar Lecture.

The results of this year's annual Fellowship survey also underscore our Fellows' interest in high-quality content from the RSA. An impressive 89 per cent of Fellows read the Fellowship newsletter, while 84 per cent engage with the *RSA Journal* and 56 per cent access blog articles and reports on our website.

Looking ahead, we are committed to providing an enhanced virtual 'Coffee House' experience, leveraging the power of Circle, our new online community platform launched in 2022–23. Furthermore, we will support Fellows in leading localised meetups and will foster partnerships with local and national organisations. We will also support micro-communities, bringing Fellows together around subjects such as coaching, sustainability, AI, financial services, and youth and women's networks.

As we reflect on our origins, we remain committed to our core purpose. The RSA provides a platform for individuals to learn, connect, and leverage expertise to create a flourishing society where people, places, and the planet can thrive in harmony. With a growing Fellowship, increased engagement opportunities, and the power of Circle, we are poised to make an even greater impact ahead.





"Circle is quickly becoming a thriving and dynamic online community with the potential to drive positive social outcomes and improvements aligned with the RSA's mission... The RSA now has a powerful tool to help evaluate and optimise its impact."

Ann Longley, Steering Group member and former Fellowship Councillor

Catalyst

In 2022–23, **Catalyst** continued to operate as a vital pillar of support for our Fellowship community, attracting 199 grant applications with an average success rate of 9 per cent. Out of these, nine seed grants were awarded to pilot creative innovations, while eight scaling grants were allocated to expand the social impact of established interventions. As part of the RSA's Design for Life strategy, in 2023–24, applicants will have the additional option to apply under the regenerative funding stream, designed specifically to support applicants who are working with practices and approaches that are regenerative.



In 2022–23 we awarded

£100k

in funding across 19 Catalyst projects

5 of the 19 funded Catalyst projects operate internationally in:

- **South Africa**
- **Kenya**
- **Rwanda**
- **India x2**

In 2023 we opened a new Regenerative Enterprise funding stream for ideas and social impact enterprises that seek to regenerate people, place, and planet. The two winners were:

- **Trees4Croydon**
- **"Indigeneity and Biomimicry in Animation" Internship**

RSA | US

Through our work encouraging creative, human-centred solutions, we have become a direct facilitator of societal change: conducting innovative research, sparking networks for collective impact, and supporting Fellows in their desire for purpose and impact.

Our Fellowship stands at 1,100 Fellows. Through our regional ambassador network, we are supporting Fellowship hubs in key US cities.

The **RSA US** has hosted and supported 14 Fellowship-driven salons and special events over the last year. We have covered topics that range from regenerative place-making and creative leadership to gender equity and the future of democracy.

We have also been a core founding partner of the Benefits Access & Equity Initiative, which launched in the autumn of 2022 and has built a cross-sector network committed to supporting public innovators and those with lived experience in building out better access to benefits in California.

Find out more at:
www.thersa.org/united-states

RSA | Oceania

Throughout 2022–23, **RSA Oceania** has been actively supporting wider engagement around the RSA's Design for Life mission, working with thought leaders and partners to develop content and projects that inspire collective action towards a regenerative, rebalanced, and resilient future.

The Oceania Fellowship network has grown by 11 per cent in the last 12 months and now consists of over 500 Fellows spread across Australia, New Zealand, and the Pacific. We lead an active events programme, supported by our Fellowship Councillors, hosting monthly events on topics including regenerative leadership, the local economy movement, intergenerational justice, and indigenous knowledge systems.

In September 2022, we launched ReGeneration Rising, a podcast exploring how regenerative approaches can help us collectively re-design our communities, cities, and economies, and create a thriving home for all on our planet. The podcast, which has been downloaded more than 35,000 times, is co-hosted by 2021 RSA Bicentenary Medallist Dr Daniel Christian Wahl and features leading voices in the regenerative space, including Kate Raworth, John Elkington, Pamela Mang, and Anne Poelina.

Our companion webinar series, which dives deeper into the themes explored in the podcast, has attracted a growing audience, with 2,500 sign-ups and downloads across the first four events. Season 2 of the podcast is forthcoming in 2023.

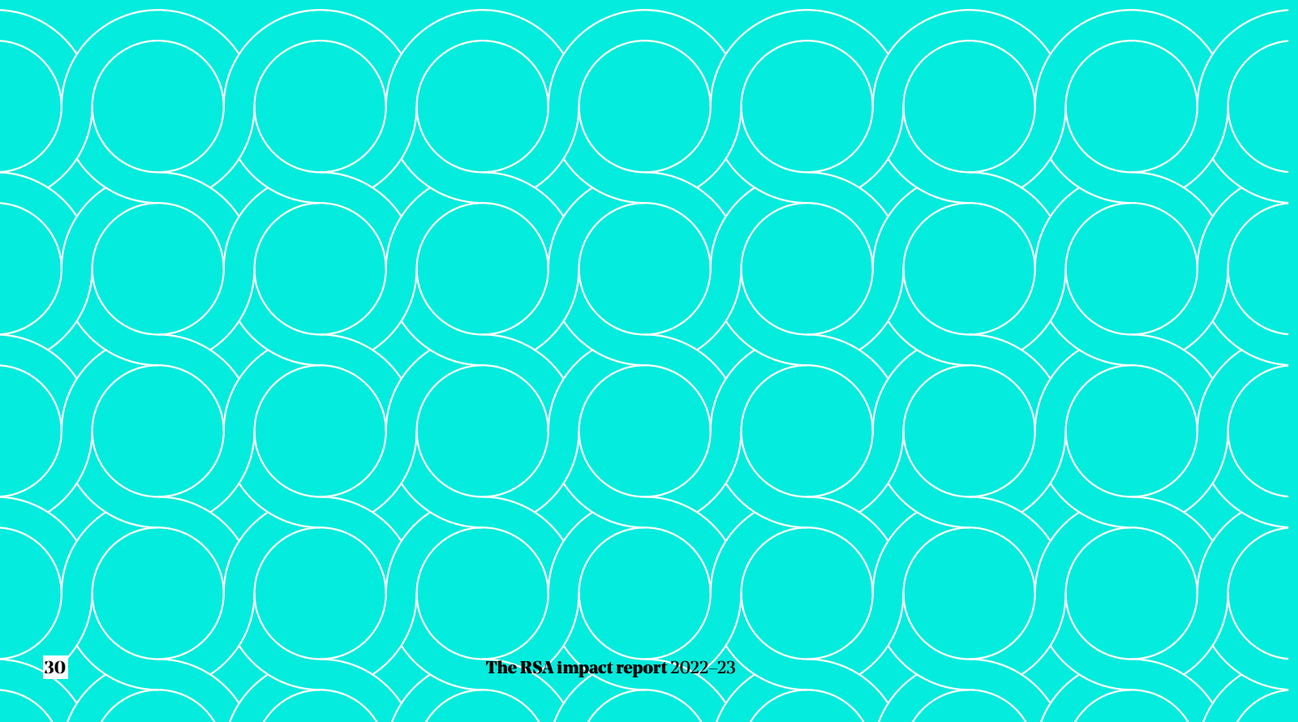
Find out more at:
www.thersa.org/oceania/regeneration-rising-podcast

RSA | Oceania PODCAST



2021 RSA Bicentenary Medal winner Dr Daniel Christian Wahl

A VERY SPECIAL THANK YOU TO RSA FUNDERS AND OUR PARTNERS 2022–23



Our partners are a vital part of the RSA's community of changemakers. Their strategic and financial support is crucial to the RSA's ability to create positive social change.

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Oak Foundation
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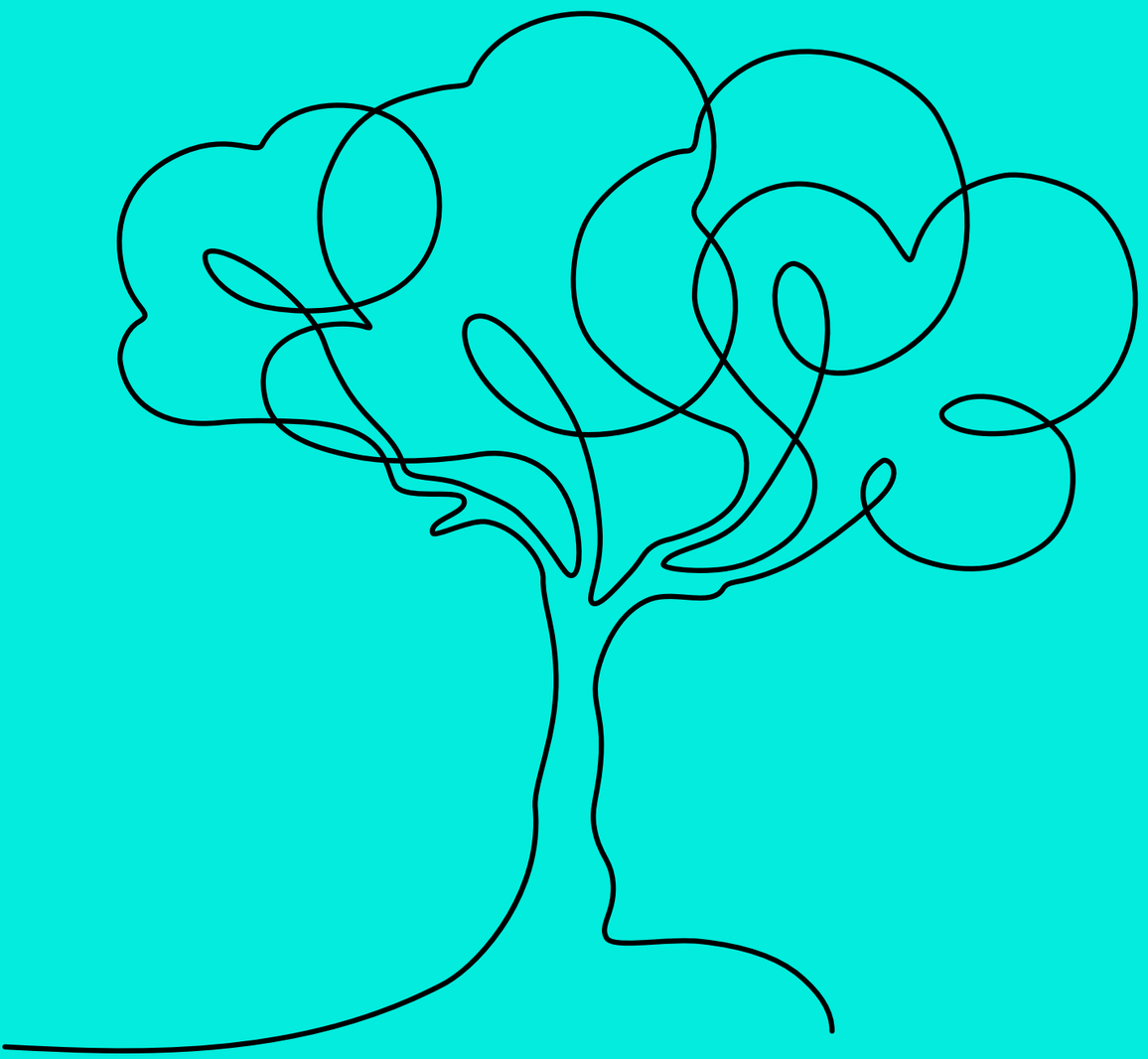
Cambridge City Council
Coventry University
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The Institute of Chartered Accountants in England and Wales
Tower Hamlets Partnership
UK Research and Innovation
Lancaster University

Donations and major gifts

Thanks to all our donors for their invaluable support.

Special thanks to our anonymous Life Fellow and major donor who has made numerous key contributions to the work of the RSA.

OUR COMMITMENT TO SUSTAINABILITY



Working with our people, we strive towards being **regenerative in all our operations**. Our energy usage and carbon emissions are tracked below to enable us to monitor our performance.

Utilities–units	Electricity–kWh	Gas–kWh	Water–ltrs	Total energy		Water–ltrs
	2022–23	2022–23	2022–23	2022–23	2021–22	2021–22
Energy	579,261	631,247	n/a	1,210,508	979,033	n/a
Water	n/a	n/a	2,116,000	2,116,000	935,000	n/a
% Recycled energy	100	n/a	n/a	100	100	n/a
Energy in tonnes CO^2	304	120	n/a	424	327	n/a
% Inc/(dec) on 2021–22	38	13	126	30	n/a	n/a

Travel–units	Car mileage (miles)	Trains (miles)	Flights (miles)	Total air, road and train travel carbon emissions (tonnes CO^2)	
	2022–23	2022–23	2022–23	2022–23	2021–22
Miles	14,720	76,989	34,450	0	30,237
Tonnes	4	6	15	24	10
% Inc/(dec) on 2021–22	168	234	1,933	140	n/a

Waste	Waste recycled (kgs) over 8 months	White paper usage (boxes)		Glass recycling (kgs) over 8 months	
	2022–23	2022–23	2021–22	2022–23	2021–22
Volume	2,390	41	15	790	750
% Recycled	77	100	100	100	100
% Inc/(dec) on 2021–22	n/a	173	n/a	n/a	n/a

Building	Total m^2 of building	Per m^2 (tonnes CO^2 per m^2)	Total building carbon emissions (tonnes CO^2)	
	2022–23	2022–23	2021–22	2020–21
Building carbon emissions	4,598	0.098	448	427
% Inc/(dec) on 2021–22	0	0	5	n/a

Sir Quentin Blake's *Celebrating the RSA's Tree Planting*, which was commissioned upon the refurbishment of the RSA's Coffee House in 2018. The drawing commemorates the Society's campaign in the late eighteenth and early nineteenth centuries to encourage landowners to plant trees, for which many received medals.



Energy consumption, travel and recycling

Post pandemic, there has been an understandable substantial increase in energy use and travel. This reflects a full recovery in our hospitality and events business, hybrid working replacing full-time home-working and furlough, and a return to working in the field directly with partners.

All waste is reused or recycled where possible, including paper, electrical, and food waste. Furniture is sent to furniture reuse schemes where applicable.

An action plan has been implemented to replace the out-of-date electricity infrastructure as part of a wider effort to reduce energy consumption. The plan involves a transition to full LED lighting and a review of sensor controls.

The sustainability strategy for Company of Cooks, our catering partner

Company of Cooks has enhanced its sustainability commitments over the past year, including recommitting to becoming net zero by 2040. Our catering partner has achieved a bronze EcoVadis rating and received an award from Planet Mark for their sustainability report. Company of Cooks is accredited with three stars for sustainable hospitality from the Food Made Good Award, and in 2021 gave back £1.4m in social value.

Company of Cooks is committed to sourcing only British cheese and meat, and to serving fish rated as 'good to eat' by the Marine Conservation Society. Airfreighted fruit and vegetables are avoided where possible and a 'London Larder' scheme is in operation, reducing food miles while working with over 20 small suppliers and using 'wonky' vegetables.

Company of Cooks works with Well Grounded, a social enterprise that helps people into work as baristas, by providing placements for those undergoing the training programme. There is always a trainee on site at RSA House.

Going forward, Company of Cooks has refreshed its approach to sustainability at the RSA, with a dedicated plan to embed it into its operations, including building a sustainable wedding package, relaunching menus to feature more lower-carbon food, and partnering with the Felix Project to donate surplus food to charities and schools to provide healthy meals.



COMPANY OF COOKS

£1.4m

In social value given by Company of Cooks in 2021

FINANCIAL REVIEW

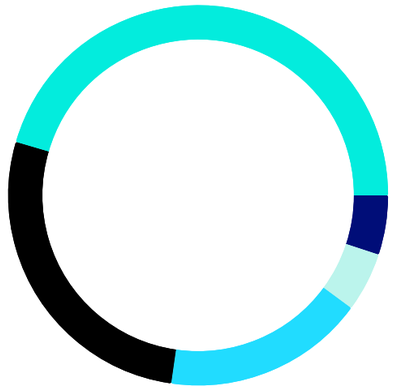
A year of strong revenue growth

Income demonstrated significant growth of 24 per cent reaching £12.9m

During the year, income demonstrated significant growth of 24 per cent, reaching £12.9m. This increase was primarily driven by improvements in trading activity and programme income.

However, expenditure also experienced a 13 per cent rise, amounting to £12.8m.

When considering investment gains separately, our net income before such gains amounted to £0.1m. Investment losses totalled £1m, resulting in a decrease of reserves by £0.9m.



45% Fellowship donations
27% Trading activities
17% Programme of projects
5% Investment income
5% Other income

Income

The income report highlights the following five principal sources of revenue:

1. **Fellowship donations** experienced 2 per cent growth, reaching £5.8m.
2. **Trading activities** saw a significant increase from £2.1m to £3.5m as the lingering impact of the COVID-19 pandemic subsided.
3. **Programme of projects** recorded a notable rise of 34 per cent to £2.2m, indicating an expansion in our initiatives following COVID-19.
4. **Investment income** remained consistent with the previous year, amounting to £0.6m.
5. **Other income** contributed £0.7m, which includes legacies exceeding £0.6m.

Financial review

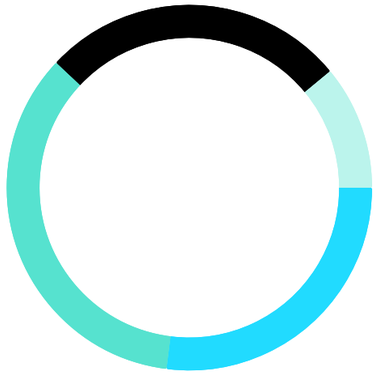
Expenditure

Expenditure increased by 13 per cent, reaching £12.8m compared to £11.3m in the previous year (2021–22). This growth is primarily attributed to the expansion of trading activities.

Staff costs accounted for 46 per cent of the total expenditure, amounting to £5.8m, reflecting a £0.4m increase over the year.

Our charitable activities encompass our programme of projects and engagement and amounted to £7.9m in 2022/23 up from £7.6m in 2021/22.

Expenses related to fundraising efforts encompass Fellowship administration costs and trading activities. Fellowship administration expenses rose by £0.2m to £1.4m, while trading activities experienced a significant 41 per cent increase, reaching £3.5m. Again, this largely reflects a return to normal for the hospitality business.



Investments and investment policy

Most of the RSA's funds are invested in securities. The RSA's investment policy targets a long-term real rate of return of 4 per cent per annum.

Of those funds invested in securities, the majority are invested in the COIF Ethical Charities Investment Fund, which aims to provide a long-term total return, comprising growth in capital and distributions. The portfolio is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It consists primarily of equities but also may include property, bonds, and other asset classes.

The fund follows an ethical investment policy. The portfolio does not invest in companies engaged in landmine or cluster bomb manufacture, or those with a significant involvement in tobacco, pornography, or online gambling. These policies are supported by an active engagement programme that seeks to raise standards on a range of issues, including human rights, employment practices, and climate change disclosure.

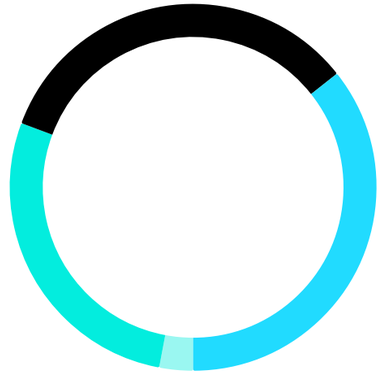
The RSA has a seat on the CCLA ethical advisory committee, which enables us to be part of an important conversation on fossil fuel divestment. We believe that this is the best way in which we can sustainably invest our funds and exert the most influence on the companies in which we invest given the size of our portfolio.

During the year there were losses in the net market value of investment funds of £1m (2021–22 £1.6m gain) and investment income was £0.6m (2021–22 £0.6m).

Reserves

The RSA has total reserves of £31.7m (21–22: £32.6m). These include:

- **Endowment funds** of £11.3m (21–22: £11.6m), which are invested in the CCLA Ethical Investment Fund.
- **Restricted reserves** of £0.9m (21–22: £1.0m). Of this, £0.3m relates to restricted project funds and £0.6m relates to historical donations. See note 11 of the Financial Statements for further information on the restrictions.
- **Unrestricted funds** of £19.5m (21–22: £19.9m). Of this:
    - £10.5m relates to fixed assets (see note 11).
    - Designated legacies which, while technically unrestricted, include clear preferences expressed by the legators were mostly expended during the year, leaving a small balance (see note 11).
    - £8.7m is general reserves.



Reserves policy

Our reserves policy enables the management of general reserves to ensure we hold an appropriate level of liquidity and accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds. The policy focuses purely on the general reserves. General reserves are defined as that portion of unrestricted funds remaining once the Trustees have set aside any amounts required as designated funds.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- A temporary loss of income.
- A permanent fall in income, allowing time to adjust our cost base or business model.
- Incurring one-off costs that are not covered by donor funds.

The RSA Board of Trustees agreed a new general reserves policy in May 2023 that will continue to maintain our financial resilience, while at the same time ensuring that we do not retain income for longer than required. Until the RSA returns to a more sustainable financial path, the policy determines that reserves should not fall below their current level.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals as well as fund working capital.

Our general reserves are matched by investments and bank deposits so that we can draw on them quickly if necessary.

The RSA Board of Trustees agreed a new general reserves policy in May 2023 that will continue to maintain our financial resilience, while at the same time ensuring that we do not retain income for longer than required. Until the RSA returns to a more sustainable financial path, the policy determines that reserves should not fall below their current level.

Grant-making policy

The RSA accomplishes its charitable objectives through various means, including the provision of grants, non-financial assistance, and research initiatives. The type of support offered is tailored to each programme's nature and goals.

Rather than adhering to a predetermined allocation of the annual budget for grant expenditure, the RSA focuses on identifying the desired impact and the most suitable method of delivery.

When grants are deemed the most appropriate funding mechanism, the RSA establishes specific criteria for each grant. These criteria vary and are made accessible on the RSA's website during open calls for applications.

Subsequently, applications are evaluated against these criteria, and awards are granted based on the following factors:

- Available funds.
- Ability to achieve the programme's objectives.
- Quality of the applications received.

The duration of grant awards depends on the specific programme but typically spans less than one year. Grants undergo regular monitoring, and recipients are required to provide progress reports as appropriate. Please refer to note 5 for detailed information regarding approved and payable grants during the year.

Fundraising disclosure

The RSA approaches fundraising through the lens of broadening and growing its Fellowship. Fellowship of the RSA is a charitable subscription that generates unrestricted income for the RSA's charitable purposes. Recruitment of new Fellows is through nomination: either by staff, existing Fellows, or researched invitation.

The RSA does not work with professional fundraisers in relation to personal fundraising but does build relationships with other networks and membership bodies to invite nominees. The RSA will, on occasion, run fundraising campaigns with its Fellows to support pieces of work or projects.

Professional fundraisers are only used in making grant applications that are outside of RSA expertise.

The RSA monitors fundraising compliance through its own internal processes; all third parties working with the RSA are required to sign and indemnify the RSA through a data-sharing agreement where data is shared. It is the RSA's policy not to share the data of its Fellows without consent, except where necessary: for example, with its mailing house to enable Fellows to receive copies of the RSA Journal or governance mailings, such as for the renewal of subscriptions or voting as part of the annual RSA AGM. No fundraising complaints were received in the year.

THE RSA APPROACHES FUNDRAISING THROUGH THE LENS OF BROADENING AND GROWING ITS FELLOWSHIP

"The encouragement of the arts manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary, and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes..."

Our charitable objectives

The RSA was founded in 1754 as the Society for the encouragement of Arts, Manufacture and Commerce, it was granted a Royal Charter in 1847, and the right to use the term Royal in its name by King Edward VII in 1908. The Royal Charter company was registered as a charity in England and Wales in 1963 (212424) and is also registered in Scotland (SC037784). The RSA's charitable objects are defined within its Royal Charter as:

"the encouragement of the arts manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary, and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes..."

The Trustee Board

The RSA Board of Trustees is the governing body of the RSA and comprises up to 14 members, of which up to five Fellows are appointed to the Board by Trustees; up to five Fellows are directly elected by the Fellowship; up to two Fellows are directly elected by the Fellowship Council, with at least one representative from among their elected members; and up to two Fellows are elected by the Fellowship from an international chapter (RSA US and/or RSA Oceania). Trustees are elected or appointed for a three-year term and may serve a second three-year term, save for Fellowship Council Trustees, who serve for the currency of the Fellowship Council, which is two years. The Board met formally four times during 2022–23 and attended their additional annual away day. Day-to-day management of the RSA is delegated to the Leadership Team by the Trustees. The Leadership Team attends all Trustee Board meetings.

The Board has established three permanent committees, each with specific terms of reference and functions that are delegated by the board, and with a Board-appointed Trustee serving as Chair: Audit and Risk (which has three independent members), Nominations and Governance (which includes three members from the Fellowship Council), and People and Remuneration. At least one representative of the Leadership Team attends all committee meetings. The RSA's external auditors attend one meeting a year of the Audit and Risk Committee.

The Trustee Board appoints the Directors of the RSA's two trading subsidiaries, RSA Adelphi Enterprises Ltd, which has one external Non-executive Director, and RSA Shipley Enterprises Ltd. The Directors of the two trading subsidiaries meet as necessary. The Board of Trustees also monitors the trading subsidiaries' performance.

All Trustees and Directors receive a tailored induction programme upon joining the RSA and are regularly updated on relevant issues through the board and committee structures. The Charity Governance Code, as refreshed in December 2020, is incorporated into the RSA Trustee induction programme, and all Trustees agree to abide by its principles.

Fellowship representation

An important part of the governance of the RSA's relationship with its Fellows is the Fellowship Council. Over the two-year period 2022–24, the Fellowship Council has comprised 18 elected and 7 co-opted Fellows. These are:

Specialism	Thematic Councillors
Programme Councillors	Nicola Millson – companies for change Shelagh Lee – early years for change Gill Wildman – entrepreneurs for change Jay Amin – places for change Seth Bolderow – pupils for change Elena Papadaki – students for change Benedikt Signer – systems for change
Area	**Area Councillors**
Central	Jackie Norton Matthias Hillner
Ireland	Tony Sheehan Robert Worrall
North	Paul Ingram Hellen Giblin-Jowett
Scotland	Ann Packard Fiona Godsman
South-east	Claire Doran
South-west	Neil Beagrie Robin Tatam
Wales	Michelle Preston
Global	Vanessa Barros Francesca Bernardi
Oceania	Lynn Wood Kim Shore
US	Lira Luis Maria Santiago

The Fellowship Council elects two representatives to the Board of Trustees, and the terms of reference specify that at least one of the representatives be either the Chair or the Deputy Chair of the Fellowship Council. In 2022, following the appointment of a new Fellowship Council, Don McLaverty and Yemi Adeola were replaced by Tony Sheehan and Neil Beagrie.

Principal risks and uncertainties

The RSA is dedicated to maintaining a robust and comprehensive system of risk management, control, and corporate governance. The risk management policy serves as a formal acknowledgement of the Trustee Board's commitment to establishing a strong risk management framework. The policy aims to ensure that the charity proactively manages risks by maximising opportunities and minimising adverse effects.

The policy's objectives are as follows:

- Confirm and communicate the RSA's commitment to risk management.
- Establish a consistent framework and protocol for determining risk appetite and tolerance, as well as managing risks.
- Assign accountability to management and staff for risks within their control and provide a structured process for risk consideration, reporting, and action throughout the organisation.

The policy is guided by the following principles:

- Risk management should be a straightforward process that does not require specialised training or knowledge.
- Risk management should be integrated into day-to-day business operations rather than being a standalone activity.

The risks include challenges in achieving social impact with Design for Life, not meeting income targets for Design for Life, poor Fellowship retention, underperforming hospitality at Adelphi Enterprises Ltd, and IT system vulnerabilities and data breaches.

Management regularly review Design for Life interventions to ensure alignment of both programmes and fundraising. In terms of Fellowship, we continue to invest in technology to improve engagement. The RSA recently launched Circle, an interactive platform.

Trading-subsidiary risks are monitored through the respective boards and generally covered by the group risk management policy and statement as well as a separate risks schedule for RSA Adelphi Enterprises Ltd. The primary risks for RSA Adelphi Enterprises Ltd are ensuring ongoing quality standards and ensuring forward bookings. This is monitored through formal monthly and quarterly meetings with Company of Cooks, who run Adelphi Enterprises Ltd on the RSA's behalf on a management fee basis and maintain a risk register.

Company of Cooks conducts regular internal audits covering health and safety, food hygiene, and general standards. These issues are also independently audited twice a year. RSA Adelphi Enterprises Ltd reviews the audit outcomes.

The primary risk for RSA Shipley Enterprises Ltd is the need to control its costs and ensure all projects run profitably; this is achieved through project forecasting and time recording to ensure each project makes a profitable contribution.

Day-to-day management of the RSA is delegated by the Board to the Leadership Team.

Objectives, risks, governance and management

Remuneration policy

The RSA operates a broad-banded salary structure for all roles, including leadership-level roles, based on Croner job evaluation and salary benchmarking using XpertHR. Pay levels are based on sector and skills market rates to enable the attraction of high-quality talent. The annual pay settlement is based principally on affordability, followed by trends in reward and market pay, and inflation.

The annual pay review for all staff is recommended to the People and Remuneration Committee by the Leadership Team, and then ultimately approved by the Trustee Board as part of the annual budget.

Key management personnel

The Trustees consider that the Leadership Team, as identified on the inside front cover, comprises the key management personnel. Any pay review for the Leadership Team, including the CEO, is recommended for sign-off by the People and Remuneration Committee to the Board as part of the annual budget process.

Statement of public benefit

The Trustees confirm that they have complied with the duty laid out in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the commission in determining the activities undertaken by the society. The RSA's objectives, as laid down in our Royal Charter, are set out on page 43.

This Impact Report describes the benefits of the RSA's activities which relate directly to the RSA's aims and objectives:

- The extensive lectures programme is available to the public free of charge, both through in-person attendance and by accessing RSA content through the website in various formats.
- The results of the RSA's research are wide-ranging and are disseminated free of charge to all interested parties.
- Funding is offered for innovative new projects through RSA Catalyst Awards.
- Innovation and creativity are encouraged through the RSA Student Design Awards and RSA Pupil Design Awards.
- The RSA's 'hands-on' projects, such as those in education, and focused on building communities, have direct charitable benefit.
- The RSA Fellowship is diverse, engaged, and influential, and its work, which is given voluntarily, contributes to the capacity of the society to pursue its charitable objects.

The Trustees review the activities of the RSA against its aims on an ongoing basis and are satisfied that all activities continue to be related to those aims. No specific issues of detriment or harm have been identified. Ultimately, wider society will benefit from the charity's activities, and this is in keeping with the spirit of the RSA Royal Charter. The RSA operates throughout the whole of the United Kingdom, through the website, and through approximately 30,000 Fellows around the world. It has affiliate non-profit organisations in Australia (RSA Oceania) and the United States (RSA US). Benefits are not confined to any group and the wider benefits of the RSA's activities are intended to include the public.

Statement of Trustees' Responsibilities

The law applicable to charities in England, Wales, and Scotland requires Trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its position at the year's end. In preparing these financial statements, the Trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the charity's SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The charity's Trustees are responsible for keeping accounting records in respect of the charity, which are enough to show and explain all the charity's transactions, and are sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity and to ensure the accounts comply with the Charities Act 2011. The Trustees are responsible for safeguarding the assets of the charity, and hence for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

By order of the Board of Trustees.



Tim Eyles
Chair of the RSA

18 July 2023

10 Independent auditor's report to the trustees of the RSA (the Royal Society for the encouragement of Arts, Manufactures, and Commerce)

Opinion

We have audited the financial statements of the RSA (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 state of the group's and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 47, Trustees 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Section 144 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 group and charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit report.

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity 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 charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's Trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland
(Senior Statutory Auditor)
for and on behalf of
Moore Kingston Smith LLP,
Statutory Auditor

16 August 2023

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Group statement of financial activities
for the year ended 31 March 2023

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	**2023 total £'000**	2022 total £'000
Income and endowments from:							
Donations and legacies							
Fellowship donations		5,810	-	-	-	**5,810**	5,695
Other donations and legacies		642	-	23	-	**665**	72
Trading activities		3,538	-	-	-	**3,538**	2,087
Investment income		575	-	46	-	**621**	627
Charitable activities							
Programme of projects		1,029	-	1,150	-	**2,179**	1,634
Programme of engagement		30	-	-	-	**30**	22
Other income		37	-	-	-	**37**	239
Total income	2	**11,661**	**-**	**1,219**	**-**	**12,880**	**10,376**
Expenditure on:							
Raising funds							
Fellowship administration		1,305	75	4	-	**1,384**	1,181
Trading activities		3,132	342	-	-	**3,474**	2,470
Charitable activities							
Programme of projects		2,658	545	1,205	-	**4,408**	4,377
Programme of engagement		3,188	185	123	-	**3,496**	3,227
Total expenditure	3	**10,283**	**1,147**	**1,332**	**-**	**12,762**	**11,255**
Net income/(expenditure) before net gains/(losses) on investments		**1,378**	**(1,147)**	**(113)**	**-**	**118**	**(879)**
Net gains/(losses) on investments	8	(390)	-	(48)	(580)	**(1,018)**	**1,647**
Net income/(expenditure)		**988**	**(1,147)**	**(161)**	**(580)**	**(900)**	768
Transfers between funds	11	(1,239)	989	-	250	**-**	-
Net movement of funds		**(251)**	**(158)**	**(161)**	**(330)**	**(900)**	**768**
Reconciliation of funds							
Total funds brought forward		**8,971**	**10,934**	**1,047**	**11,633**	**32,585**	**31,817**
Total funds carried forward		**8,720**	**10,776**	**886**	**11,303**	**31,685**	**32,585**

All incoming and outgoing resources derive from continuing operations. The group has no gains and losses other than those recognised in this statement of financial activities. The accompanying notes form part of these financial statements.

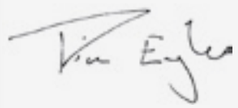
Group cash flow statement
for the year ended 31 March 2023

	2023 £'000	2022 £'000
Reconciliation of net cash provided by/(used in) operating activities		
Net outgoing resources for the year before net gains/(losses) on investments	**117**	(879)
Interest received and income from investments	**(621)**	(627)
Depreciation	**627**	654
Amortisation	**212**	137
(Increase)/decrease in debtors	**(59)**	(523)
Decrease/(increase) in stock	**(3)**	(14)
(Decrease)/increase in creditors	**(187)**	490
Net cash provided by/(used in) operating activities	**86**	(762)
Cash flow from investing activities		
Dividend, interest and rents from investments	**621**	627
Tangible and intangible assets	**(632)**	(627)
Proceeds from sale of investments		1,200
Purchase of investments		0
Net cash provided by/(used in) investing activities	**(11)**	1,200
Change in cash and cash equivalents in the reporting period	**75**	**438**
Cash and cash equivalents at the beginning of the reporting period	**2,328**	1,890
Cash and cash equivalents at the end of the reporting period	**2,403**	**2,328**

Group and charity balance sheet
for the year ended 31 March 2023

	Notes	Group 2023 £'000	Group 2022 £'000	RSA 2023 £'000	RSA 2022 £'000
Fixed assets					
Intangible assets	7	**578**	376	**578**	376
Tangible fixed assets	7	**9,919**	10,328	**9,919**	10,328
Investments	8	**19,312**	20,330	**19,312**	20,330
		29,809	**31,034**	**29,809**	**31,034**
Current assets					
Stocks		**24**	21	**-**	-
Debtors	9	**1,053**	994	**984**	843
Short-term deposits and cash at bank		**2,403**	2,328	**1,310**	1,526
		3,480	**3,343**	**2,294**	**2,369**
Creditors: amounts falling due within one year	10	**(1,593)**	(1,779)	**(908)**	(1,235)
Net current assets		**1,887**	**1,564**	**1,386**	**1,134**
Total assets less current liabilities		**31,696**	**32,598**	**31,195**	**32,168**
Creditors: amounts falling due after more than one year	10	**(11)**	(13)	**-**	-
Total assets less liabilities		**31,685**	**32,585**	**31,195**	**32,168**
Unrestricted funds – charity		**19,006**	19,488	**19,006**	19,488
Unrestricted funds – trading subsidiaries		**490**	417	-	-
Restricted funds		**886**	1,047	**886**	1,047
Endowment funds		**11,303**	11,633	**11,303**	11,633
Total funds	11	**31,685**	**32,585**	**31,195**	**32,168**

The financial statements were approved by the board of trustees on 18 July 2023 and were signed on its behalf by:



Tim Eyles
Chair



Jill Humphrey
Co-treasurer

The accompanying notes form part of these financial statements.

Notes to the financial statements 31 March 2022

1. Accounting policies
The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

Basis of preparation
The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and the inclusion of fixed asset investments at market value as stated in the relevant note(s) to these accounts. 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 thousand pounds. The charity constitutes a public benefit entity as defined by FRS 102. The group financial statements comprise those of the RSA and its wholly owned subsidiaries, RSA Adelphi Enterprises Limited and RSA Shipley Enterprises Limited. The results of the subsidiaries are consolidated on a line-by-line basis.

The RSA has an affiliation agreement with the Fellows of the RSA in the United States, a separate corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania. As per the bylaws of the Fellows of the RSA in the US, RSA appoints half of the members of the Board of Trustees as well as the Chair of the Board and therefore holds control in the organisation's governance structure. This US entity is not consolidated on a line-by-line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with RSA Australia and New Zealand (RSA ANZ) headquartered in Australia, a separate corporation established for charitable purposes under the laws of the Commonwealth of Australia. As per the articles of incorporation of RSA ANZ, RSA appoints half of the members of the Board of Trustees as well as the Chair of the Board and therefore holds control in the organisation's governance structure. RSA ANZ is not consolidated on a line-by-line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

Going concern
These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the group will continue in operational existence for the foreseeable future and are not aware of any material uncertainties which may cause doubt on the group's ability to continue as a going concern.

Income and endowments
Donations, including Fellowship subscriptions, are accounted for on a cash basis. Income from grants is accounted for in line with the SORP. All grants are accounted for when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity or a time-related condition, are recognised when the charity becomes unconditionally entitled to the grant. All other incoming resources are accounted for on an accruals basis, with income relating to specific periods apportioned over the accounting periods to which it relates. Restricted income is used in accordance with specific restrictions imposed by donors.

Expenditure
Expenditure is charged on an accruals basis, inclusive of irrecoverable VAT. Expenditure incurred on support departments is apportioned to the activity area based on the appropriate driver, such as full-time equivalent (FTE) or floor space.

Operating leases
Lease expenses are recognised as "operating leases" relating to capital equipment that the RSA does not own. The annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

Intangible assets and amortisation
Intangible assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Amortisation is calculated on the cost of the intangible assets on a straight-line basis over the expected useful life of 3-5 years.

Tangible fixed assets and depreciation
Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Tangible fixed assets are stated at cost with the exception of certain pictures, books, and antiques which are stated at a notional value adopted in earlier years and are not depreciable. These items are not considered heritage assets as defined in FRS 102.

Depreciation is calculated on the cost of the fixed assets on a straight-line basis over the following expected useful lives:

Freehold premises	200 years from 1978
Building improvements	between 10 and 40 years
Furniture and fittings	between 3 and 5 years

Investments
Investment assets are included in the balance sheet at market value. Unrealised gains and losses on revaluation and realised gains and losses on disposal are taken to the Statement of Financial Activities and dealt with in the relevant fund.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cash and cash equivalents
Cash and cash equivalents include unrestricted and restricted cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial instruments
The company 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.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets
Basic financial assets, which include trade and other debtors and cash and bank balances, are recognised as current assets due to be realised within one year or less. As such it is not necessary to amortise these assets.

Basic financial liabilities
Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised as current liabilities and as such it is not necessary to amortise these liabilities.

Funds
Unrestricted funds may be spent in accordance with the RSA's charitable objects at the discretion of the Trustees. A designated fixed asset reserve has been created to highlight the value of unrestricted funds tied up in freehold premises and building improvements. A designated legacy reserve has been created to identify legacy receipts where there is an expectation to honour the non-binding wishes of the legator in the way that we spend the monies received.

Restricted funds arise from specific grants for individual projects, appeal receipts for specific purposes, and income derived from endowment funds which must be used for restricted charitable purposes.

The capital of the James Cranstoun Bequest and Angus Millar Trust endowment funds are required to be retained in perpetuity, while the income must be used for restricted charitable purposes. The capital of the Shipley Endowment Fund may be used in specific limited circumstances, while the income must be used for charitable purposes. The capital elements of all endowment funds accrue investment gains and losses.

Judgements and key sources of estimation uncertainty
In the application of the group's accounting policies, the Trustees are required to make judgements, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue from performance-related grants and contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract. This is estimated using a combination of the milestones in the agreement and the time spent to date compared to the total time expected to be required to undertake the agreement. Estimates of the total time required to undertake the agreement are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date, and client decision-making. See notes 9 and 10 for disclosure of the amount by which revenue exceeds progress billing (accrued income) or billing exceeds revenue (deferred income).

Reserves policy
Our reserves policy enables the management of general reserves to ensure we hold an appropriate level of liquidity and accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds. The policy focuses purely on the general reserves. General reserves are defined as that portion of unrestricted funds remaining once the Trustees have set aside any amounts required as designated funds.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- A temporary loss of income.
- A permanent fall in income, allowing time to adjust our cost base or business model.
- Incurring one-off costs that are not covered by donor funds.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals as well as fund working capital.

Our general reserves are matched by investments and bank deposits so that we can draw on them quickly if necessary.

The RSA Board of Trustees agreed a new general reserves policy in May 2023 that will continue to maintain our financial resilience, while at the same time ensuring that we do not retain income for longer than required. Until the RSA returns to a more sustainable financial path, the policy determines that reserves should not fall below their current level.

Pension costs
For Group Personal Pension schemes the amount charged to the Group Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either creditors or debtors in the balance sheet.

Notes to the financial statements continued

2. Income and endowments

Split of income 2023	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2022 total £'000
Fellowship	5,810	-	-	-	-	-	5,810
Donations and legacies (individuals)	659	-	-	-	-	-	659
Commercial organisations	4	-	-	521	-	37	562
Charitable trusts and foundations	1	-	-	951	-	-	952
Public sector bodies	-	-	-	692	-	-	692
Trading activities	-	3,534	-	-	-	-	3,534
Fees income	-	-	-	16	30	-	46
Dividends, interest and rent income	-	-	625	-	-	-	625
	6,474	**3,534**	**625**	**2,180**	**30**	**37**	**12,880**

2022	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2021 total £'000
Fellowship	5,695	-	-	-	-	-	5,695
Donations and legacies (individuals)	17	-	-	-	-	-	17
Commercial organisations	35	-	-	410	22	207	674
Charitable trusts and foundations	-	-	-	1,103	-	-	1,103
Public sector bodies	20	-	-	106	-	32	158
Trading activities	-	2,087	-	-	-	-	2,087
Fees income	-	-	-	15	-	-	15
Dividends, interest and rent income	-	-	627	-	-	-	627
	5,767	**2,087**	**627**	**1,634**	**22**	**239**	**10,376**

Donations and legacies income includes Fellowship income, unrestricted donations, and legacies.

Income from other trading activities comprises the income generated through the trading subsidiaries, RSA Adelphi Enterprises Ltd and RSA Shipley Enterprises Ltd. This amounted to:

From RSA Adelphi Enterprises Ltd., for the hire of conference rooms and the provision of catering services, £3,461k (2022: £1790k).

From RSA Shipley Enterprises Ltd., for the provision of consultancy services, £73k (2022: £260k).

Programme of projects and programme of engagements comprise all funding received towards supporting charitable activities.

Other income comprises fee and advertising income generated by the CEO, the *RSA Journal*, and events.

3. Expenditure

Expenditure on 2023	Direct costs £'000	Apportioned support £'000	2023 total £'000
Raising funds			
Fellowship administration	993	391	1,384
Trading activities	2,792	682	3,474
Charitable activities			
Programme of projects	3,198	1,210	4,408
Programme of engagement	2,534	962	3,496
Total expenditure	**9,517**	**3,245**	**12,762**

2022	Direct costs £'000	Apportioned support £'000	2022 total £'000
Raising funds			
Fellowship administration	915	266	1,181
Trading activities	1,938	532	2,470
Charitable activities			
Programme of projects	3,282	1,095	4,377
Programme of engagement	2,478	749	3,227
Total expenditure	**8,613**	**2,642**	**11,255**

Direct costs are allocated to categories of activity as follows:

Expenditure on raising funds comprises the cost of recruiting to and administering our Fellowship and unrestricted fundraising.

Trading activities comprises the costs associated with the hire of conference rooms, the provision of catering services and with the provision of consultancy services.

Programmes of projects comprise the costs of performing these charitable activities.

Programme of engagement comprises the costs of other charitable activities including those of the *RSA Journal*, library, Fellowship networks, and the costs incurred for activities within the areas and nations.

The external audit fee was £43k (2022: £40k). Fees paid to the auditors for non-audit services were £8k (2022: £3k).

Where expenditure cannot be directly allocated it represents support costs (see Analysis of Apportioned Support Costs below) and is apportioned on a basis consistent with the use of resources, for example the number of full-time equivalent staff or floor space. Costs relating to external communications have been included in the direct costs of the activities which they support.

Total expenditure excludes the value of work contributed by Fellows to the activities of the RSA.

Notes to the financial statements continued

3. Expenditure – continued

Analysis of apportioned support costs 2023	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	2023 total £'000
Establishment	36	450	125	92	703
Executive management	72	47	221	177	517
Finance	59	39	181	145	424
Human resources	107	70	327	262	766
Information technology	79	51	240	193	563
Governance	38	25	116	93	272
Total	**391**	**682**	**1,210**	**962**	**3,245**

2022	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	2022 total £'000
Establishment	26	334	93	68	521
Executive management	46	38	192	130	406
Finance	33	27	137	93	290
Human resources	60	49	250	170	529
Information technology	71	59	297	202	629
Governance	30	25	126	86	267
Total	**266**	**532**	**1,095**	**749**	**2,642**

4. Trustee and staff costs

Trustees

Members of the Trustee Board and committees do not receive any remuneration for their services. Travel expenses of £0.4k (2022: £0.2k) were reimbursed to two Trustees (2022: 2). Charitable funds have been used to buy indemnity insurance for Trustees at a cost of £7k (2022: £7k) and £10k (2022: £0k) have been spent on Trustees' recruitment.

Staff

The average headcount during the year was 114 (2022: 116). In addition, 2 (2022: 4) staff who assist with public lectures and front-of-house services were on casual contracts.

4. Trustee and staff costs – continued

The average number of staff employed during the year on a full-time equivalent basis was 112 (2022: 111). This was split across the organisation as follows:

	2023 no	2022 no
Raising funds	13	10
Trading activities*	8	9
Programme of projects	39	44
Programme of engagement	32	30
Support departments	20	18
	112	**111**

*Trading activities include RSA front-of-house staff who contribute to services provided by RSA Adelphi Enterprises Limited and programmes staff working to generate funds through RSA Shipley Enterprises Limited

The cost of these individuals was as follows:

	2023 £'000	2022 £'000
Salaries	4,946	4,622
Employer's National Insurance contributions	542	488
Pension contributions	245	250
	5,733	**5,360**
Agency staff costs	100	107
Total staff costs	**5,833**	**5,467**

The number of employees who earned more than £60,000 during the year was as follows:

	2023 no	2022 no
£60,001 to £70,000	5	-
£70,001 to £80,000	1	4
£80,001 to £90,000	1	3
£90,001 to £100,000	2	1
£100,001 to £110,000	1	-
£110,001 to £120,000	-	-
£180,001 to £190,000	1	-

The number of higher paid employees accruing pension benefits was:

	2023 no	2022 no
Defined contributions scheme – group personal pension	11	8

The total contributions paid by the RSA into the defined contribution scheme for higher paid employees was £38k (2022: £38k). The cost of key management personnel, defined as members of the Leadership Team, including employer's national insurance and pension contributions by the RSA was £976k (2022: £359k).

Termination payments for the year totalled £94k (2022: 0).

Notes to the financial statements continued

5. Grants/awards paid and payable

	2023 £'000	2022 £'000
Grant creditor at 1 April	67	45
Grants approved before 31 March and payable within one year	795	766
Grants paid/released during the year	(797)	(744)
Grant creditor at 31 March	**65**	**67**

Grants approved before 31 March and payable within one year:

		2023 £'000	2022 £'000
Grants	Grants to Fellows, including Catalyst grants	97	106
Grants	International affiliates	304	324
Grants	RSA Academies	-	42
Grants	Programme of projects	373	276
Awards	Student Design Awards	21	18
	Projects inc SDAs	**394**	**294**
Total		**795**	**766**

The total number of grant recipients was 64 (2022: 56), including the following institutions in receipt of grants totalling £100k or more:

	2023 £'000	2022 £'000
RSA Academies	-	42
RSA US	208	240
Bayes Impact France	-	192

6. Operating leases

At 31 March, the commitment for the next year under non-cancellable operating leases relating to equipment and the total outstanding commitment to the end of the leases were:

	2023 £'000	2022 £'000
Within one year	17	6
In 2-5 years	36	19

The rental expense charged to the statement of financial activities for the year was £17k (2022: £16k).

7a. Intangible fixed assets

	£'000
Cost or valuation	
As at 1 April 2022	1,086
Transfers	-
Additions	414
Disposals	-
As at 31 March 2023	**1,500**
Amortisation	
As at 1 April 2022	710
Transfers	-
Charge for the year	212
Disposals	-
As at 31 March 2023	**922**
Net book values	
As at 1 April 2022	376
As at 31 March 2023	**578**

7b. Tangible fixed assets

	Freehold premises £'000	Pictures, Building improvements £'000	Furniture and fittings £'000	books and antiques £'000	Total £'000
Cost or valuation					
As at 1 April 2022	4,965	10,830	972	33	16,800
Additions	-	66	152	-	218
Disposals	-	-	-	-	-
As at 31 March 2023	**4,965**	**10,896**	**1,124**	**33**	**17,018**
Depreciation					
As at 1 April 2022	779	5,031	662	-	6,472
Charge for the year	25	459	143	-	627
Disposals	-	-	-	-	-
As at 31 March 2023	**804**	**5,490**	**805**	**-**	**7,099**
Net book values					
As at 1 April 2022	4,186	5,799	310	33	10,328
As at 31 March 2023	**4,161**	**5,406**	**319**	**33**	**9,919**

The freehold properties at 2, 4, 6, and 8 John Adam Street and 18 Adam Street are listed as historic buildings. They are referred to elsewhere throughout the accounts as 'RSA House'. The RSA is required by law to maintain these properties in their present form in perpetuity. The value of the freehold premises represents the historical cost of acquiring the freeholds plus the cost of additions to the buildings. It is a requirement of United Kingdom Accounting Standards that freehold buildings should be depreciated over their estimated useful lives. To meet this requirement a notional life of 200 years was attributed to the premises in 1978, and depreciation is therefore charged on that basis.

Fixed assets are stated at cost with the exception of certain pictures, books, and antiques which are stated at a notional value adopted in earlier years and are not depreciable. The Trustees do not consider that any of these items are heritage assets.

Notes to the financial statements continued

8. Investment assets

Investments in government and other listed securities and Charities Official Investment Funds (COIF) at market values.

Analysis of investment assets	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 total £'000	2022 total £'000
UK	599	78	953	1,630	1,823
Overseas	4,495	580	7,163	12,238	13,053
Alternative investments	1,395	180	2,222	3,797	2,586
Freehold property	228	29	365	622	1,025
Bank deposits	377	48	600	1,025	1,843
	7,094	**915**	**11,303**	**19,312**	**20,330**

Analysis of movement of investment assets	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 total £'000	2022 total £'000
Investments at 1 April 2022	7,734	962	11,634	20,330	19,883
Reclassification	-	-	-	-	-
Net withdrawals	-	-	-	-	(1,200)
Net additions	-	-	-	-	-
Transfers	(250)	-	250	-	-
Revaluation gain	(390)	(47)	(581)	(1,018)	1,647
Investments at 31 March 2023	**7,094**	**915**	**11,303**	**19,312**	**20,330**
Revaluation gain 2022	681	75	891	1,647	

9. Debtors

	Group 2023 £'000	Group 2022 £'000	RSA 2023 £'000	RSA 2022 £'000
Trade debtors	560	572	282	282
Bad debt provision	(9)	(23)	-	-
Prepayments	139	159	136	111
Accrued income	239	161	232	161
Other debtors	124	125	124	125
Owed by RSA Adelphi / RSA Shipley	-	-	210	164
	1,053	**994**	**984**	**843**

Accrued income relates to funds already earned but not yet received for work or activities undertaken in the current year. The accrued income which was brought forward from the previous year has been released in the current year.

10. Creditors

Amounts falling due within one year	Group 2023 £'000	Group 2022 £'000	RSA 2023 £'000	RSA 2022 £'000
Trade creditors	318	508	161	403
Accruals	351	304	314	259
Deferred project income	163	332	162	306
Taxation and social security	169	162	169	162
Other creditors	111	105	102	105
RSA hospitality income received in advance	481	368	-	-
	1,593	**1,779**	**908**	**1,235**

Deferred project income relates to funds already received for work or activities due to be undertaken in the coming year. The deferred project income which was brought forward from the previous year has been released in the current year.

Amounts falling due after more than one year	Group 2023 £'000	Group 2022 £'000	RSA 2023 £'000	RSA 2022 £'000
RSA hospitality income received in advance	11	13	-	-

11. Funds

a) Movement in funds

	Balance 1 April 2022 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2023 £'000
Unrestricted funds						
Designated fixed asset reserve	10,705	-	(834)	-	634	10,505
Designated legacy reserve	229	-	(200)	-	-	29
Designated Design for Life reserve	-	-	(113)	-	355	242
Shipley income fund	3,422	384	-	(75)	-	3,731
General reserve	5,549	11,277	(10,283)	(315)	(1,239)	4,989
	19,905	**11,661**	**(11,430)**	**(390)**	**(250)**	**19,496**
Restricted income funds						
Programme of projects	320	1,173	(1,202)	-	-	291
Individual trusts greater than £5k:						
– Shipley income fund	-	-	-	-	-	-
– General lecture fund	125	10	(116)	(16)	-	3
– Edward Boyle fund	162	4	(1)	(7)	-	158
– General Award fund	150	6	(3)	(10)	-	143
– James Cranstoun bequest	116	15	-	-	-	131
– Dick Onians lecture trust	95	3	(5)	(5)	-	88
– Angus Millar trust	43	2	(1)	-	-	44
– Edward Squires fund	16	5	-	(9)	-	12
– F H Andrews bequest	20	1	(4)	(1)	-	16
	1,047	**1,219**	**(1,332)**	**(48)**	**-**	**886**

Notes to the financial statements continued

11. Funds – continued

a) Movement in funds

	Balance 1 April 2022 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2023 £'000
Endowment funds						
Shipley expendable endowment	11,073	-	-	(552)	250	10,771
Individual trusts greater than £10k:						
– James Cranstoun bequest	484	-	-	(24)	-	460
– Angus Millar trust	76	-	-	(4)	-	72
	11,633	**-**	**-**	**(580)**	**250**	**11,303**
Total reserves	**32,585**	**12,880**	**(12,762)**	**(1,018)**	**-**	**31,685**

b) Restricted income funds

The restricted Programme of Projects fund includes grant funding which has been received in the year to support specific charitable activities. The Shipley Income Fund is the income generated by the Shipley Endowment Fund which is used to support the RSA's programme in furtherance of its charitable objects. The Edward Boyle Fund originates from a donation made by the Edward Boyle Memorial Trust in 1995 and is to be used, in the name of Edward Boyle, for the provision of bursaries at the University of Leeds, in addition to lectures at the University of Leeds and the RSA which should be broadly related to education, music and/or learning. The General Awards Fund and General Lecture Fund were set up during the 2015/16 fiscal year and each comprise a group of funds released to restricted from endowment with the permission of the Charity Commission. The General Awards Fund may be used for the encouragement of arts, manufactures and commerce by the provision of awards, prizes, bursaries and grants, and the General Lecture Fund for the encouragement of arts, manufactures and commerce by the provision of lectures, and related costs. The Dick Onians Lecture Trust was set up for the purpose of sponsoring an annual lecture to be given by a fellow aged 40 or younger on the subject "how I intend to pursue the Shipley mission". The Angus Millar Trust exists to fund an annual lecture held in Scotland for the purpose of stimulating discussion, developing ideas and encouraging action in accordance with the RSA's aims and objectives. The Eddie Squires Fund is to support a Student Design Award bursary for outstanding contemporary printed furnishing design. The F H Andrews Bequest is to support the purchase of books for the RSA's library.

c) Endowment funds

The Endowment funds are trusts set up by individual donors in support of specific purposes such as named lectures and preservation of historic buildings. £384k income arising from the expendable endowment was included in unrestricted funds (2021: £370k), while £17k was included in restricted funds (2022: £17k) in accordance with the requirements of the funds.

During 2017/18, the RSA gained permission from the Charity Commission to take a loan of up to £3.5m from the Shipley Expendable Endowment Fund to fund the redevelopment of the RSA House. Of this amount, £2.5m was used and transferred to general funds in 2018/19. Repayment began in 2019/20 with the transfer of £250k from general funds to the endowment. No repayment was made in 2020/21 as it is paid for by the return on the redevelopment of RSA House and, due to COVID-19, RSA House made a loss in that year. Repayments resumed in 2021/22. Repayments to date total £750k, leaving a balance still to be repaid as at 31 March 2023 of £1.75m.

d) Analysis of net assets between funds

	Tangible and intangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities £'000	Fund balances £'000
Unrestricted funds					
Designated fixed asset reserve	10,497	-	-	-	10,497
Designated legacy reserve	-	32	-	-	32
Designated Design for Life reserve	-	-	247		247
General reserve	-	7,062	3,262	(1,604)	8,720
	10,497	7,094	3,509	(1,604)	19,496
Restricted income funds	-	915	(29)	-	886
Endowment funds					
Expendable	-	10,770	-	-	10,770
Permanent	-	533	-	-	533
	-	11,303	-	-	11,303
Total funds	**10,497**	**19,312**	**3,480**	**(1,604)**	**31,685**

12. Pension schemes

The Consolidated Statement of Financial Activities includes contributions by the Charity to the Group Personal Pension scheme of £245k (2022: £250k).

13. Taxation

As a registered charity the RSA is not liable to taxation on its income and capital gains so long as they are used for its charitable purposes.

14. Related parties

There were no related party transactions in the reporting period that require disclosure.

Notes to the financial statements continued

15. Subsidiary undertakings

a) RSA Adelphi Enterprises Limited

TheThe company principally operates a hospitality business within the RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly-owned subsidiary and is incorporated in England and Wales. Two members of the RSA Trustee Board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £100 represented by 100 shares of £1 each. The shares are not disclosed in the balance sheet below because they round down to £0,000.

i) Summary of profit and loss account for RSA Adelphi Enterprises Limited (company number: 02784581)

	2023 £'000	2022 £'000
Turnover	3,580	1,825
Cost of sales	(2,079)	(1,113)
Gross profit	**1,501**	**712**
Other expenses	(1,029)	(415)
Net profit	**472**	**297**
Bank interest	4	-
Gift aid paid to RSA	(297)	-
Net movement in funds	**179**	**297**

ii) Summary of balance sheet for RSA Adelphi Enterprises Limited

	2023 £'000	2022 £'000
Current assets:		
Stocks	24	21
Debtors	272	288
Cash	1,043	674
Owed by group	-	-
	1,339	**983**
Creditors:		
Creditors	191	105
Payments received on account	491	381
Owed to group	171	160
Other creditors	9	40
	862	**686**
Net assets/share capital	**477**	**297**

15. Subsidiary undertakings – continued

b) RSA Shipley Enterprises Limited

The company principally operates a consultancy business within the RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly-owned subsidiary and is incorporated in England and Wales. Two members of the RSA Trustee Board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £1, represented by 1 share of £1. The share is not disclosed in the balance sheet summary below because it rounds down to £0k.

i) Summary of profit and loss account for RSA Shipley Enterprises Limited (company number: 08716337)

	2023 £'000	2022 £'000
Turnover	76	289
Cost of sales	(41)	(100)
Gross profit	**35**	**189**
Other expenses	(19)	(69)
Net profit	**16**	**120**
Gift aid paid to RSA	(121)	(75)
Net movement in funds	**(105)**	**45**

ii) Summary of balance sheet for RSA Shipley Enterprises Limited

	2023 £'000	2022 £'000
Current assets:		
Debtors	7	27
Cash	50	129
	57	**156**
Creditors:		
Creditors	4	31
Owed to parent	40	5
	44	**36**
Net assets/share capital	**13**	**120**

c) Reconciliation of subsidiary results to group reporting

	2023 £'000	2022 £'000
Income from trading activities	3,538	2,087
Expenditure on trading activities – direct costs	(2,793)	(1,938)
Contribution to RSA overheads	**745**	**149**
Expenditure on trading activities – support costs	(682)	(532)
As reported in RSA consolidated financial statements	**(63)**	**(383)**
Add back support costs apportioned to activity for group reporting purposes	682	532
Add back direct costs incurred by parent allocated to activity for group reporting	688	713
Add back intercompany charges eliminated upon group reporting consolidation	(945)	(445)
RSA Adelphi/Shipley Enterprises reported profit	**488**	**417**

Notes to the financial statements continued

d) Other subsidiary undertakings

The RSA also has two other subsidiary undertakings as follows, none of which are consolidated, as they would not materiality affect the figures reported in or presentation of, the consolidated accounts.

(i) RSA ANC Limited also known as RSA Oceania, a corporation established for charitable purposes under the laws of the Commonwealth.

(ii) The Fellows of the RSA in the United States also known as RSA, a corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania.

16. Parent charity result

	2023 £'000	2022 £'000
Income and endowments	10,411	8,763
Expenditure	(10,784)	(10,058)
Gift aid income from subsidiaries	418	75
Net income/(expenditure) before net gains/(losses) on investments	45	(1,220)
Net gains/(losses) on investments	(1,018	1,647
Net movement of funds	**(973)**	**427**

17. Financial instruments

	Group 2023 £'000	Group 2022 £'000	RSA 2023 £'000	RSA 2022 £'000
Carrying amount of financial assets				
Debt instruments measured at amortised cost	915	835	848	732
Instruments measured at fair value through profit or loss	18,286	18,486	18,286	18,486
	19,201	19,321	19,134	19,218
Carrying amount of financial liabilities				
Measured at amortised cost	816	952	576	768

18. Comparative statement of financial activities

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	2022 total £'000
Income and endowments from:						
Donations and legacies						
Fellowship donations		5,695	-	-	-	5,695
Other donations and legacies		72	-	-	-	72
Trading activities		2,087	-	-	-	2,087
Investment income		582	-	45	-	627
Charitable activities						
Programme of projects		446	-	1,188	-	1,634
Programme of lectures and events		22	-	-	-	22
Other income		239	-	-	-	239
Total income	2	**9,143**	**-**	**1,233**	**0**	**10,376**
Expenditure on:						
Raising funds						
Fellowship administration		1,122	57	2	-	1,181
Trading activities		2,110	360	-	-	2,470
Charitable activities						
Programme of projects		2,664	417	1,296	-	4,377
Programme of engagement		2,968	155	104	-	3,227
Total expenditure	3	**8,864**	**989**	**1,402**	**-**	**11,255**
Net income/(expenditure) before net gains/(losses) on investments		**279**	**(989)**	**(169)**	**-**	**(879)**
Net gains/(losses) on investments	8	681	-	75	891	1,647
Net income/(expenditure)		**960**	**(989)**	**(94)**	**891**	**768**
Transfers between funds		(1,825)	4507	(2,932)	250	-
Net movement of funds		**(865)**	**3518**	**(3,026)**	**1141**	**768**
Reconciliation of funds						
Total funds brought forward		9,836	7,416	4,073	10,492	31,817
Total funds carried forward		**8,971**	**10,934**	**1,047**	**11,633**	**32,585**



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RSA (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERC

England & Wales - Charity number 212424

Accounts

RSA

IMPACT REPORT 2021–22

and financial statements

for the year ended 31 March 2022



Contributors

Patron

Her Majesty The Queen

President

Her Royal Highness
The Princess Royal

Trustees

Tim Eyles
Chair

Philippa Wilson
Deputy chair

Jill Humphrey
Co-treasurer

Ian Ailles
Co-treasurer
from October 2021

Yemi Adeola

Andrea Kershaw

Sam Lewis

Don McLaverty

Shonagh Manson

Charlotte Oades

Jan Portillo

Shaifali Puri

John Towers
(also RSA Academies chair)

Principal Office

8 John Adam Street,
London WC2N 6EZ

Leadership team

Andy Haldane
Chief executive officer
from October 2021

Natalie Carsey
Chief operating officer
until March 2022

Anthony Painter
Chief research
and impact officer
until January 2022

Andrea Siodmok
Chief impact officer
from June 2022

Constitution

The RSA is a charity governed by a Royal Charter (RC000523). It is registered under the Charities Act 2011. Registration number 212424.

The RSA is also registered in Scotland. Registration number SC037784.

Auditors

Moore Kingston Smith LLP
9 Appold Street
London EC2A 2AP

Bankers

Coutts & Co.
440 The Strand,
London WC2R 0QS

Pension consultants

Secondsight (formally
Foster Denovo Limited)
2 Hamm Moor Lane
Weybridge
Surrey KT15 2SA

Surveyors and property consultants

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4 St Paul's Churchyard
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Solicitors

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London SW15 6AB

Collyer Bristow
140 Brompton Road
Knightsbridge
London SW3 1HY

Investment managers

CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

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1 Chair and chief executive's introduction

We are now at the start of the latest chapter in the RSA's rich history as a social change organisation. Andy returned from his secondment with the UK government at the beginning of April 2022 and we had our first Fellows Festival in May at which we launched our new mission paper, **Design for Life**. This sets out a new programme of change, underpinned by three closely inter-linked elements critical to transition towards better futures for **people, place and planet** namely: **social impact, social opportunity and social innovation**.

We would recommend reading it here: **www.thersa.org/design-for-life**

As part of this new mission we are developing **seven pathways** through which the RSA might have clear social impact. These combine all the best elements of our current programmes while giving us a distinct purpose and, importantly, securing a strong direction on how we engage our RSA Fellows ensuring the RSA operates successfully and achieves the impact and outcomes we are all seeking.

We hope very much that this will be the last year where Covid-19 is a material factor for us to consider. Despite this disruption, and thanks to the hard work of the RSA team, we have made a smaller deficit than we had originally anticipated in the budget. This reflects continued financial support from our Fellows and partners and a remarkable resilience shown by our hospitality division.

Finally, we would like to record our huge gratitude to the RSA colleagues for their tremendous hard work and commitment through a difficult time and of course for the continued support shown by our Fellows and partners through the pandemic.



Tim Eyles
Chair



Andy Haldane
Chief executive



We are the RSA, the royal society for arts, manufactures and commerce. We're committed to a future that works for everyone. A future where we can all participate in its creation.

The RSA has been at the forefront of significant social impact for over 260 years. Providing platforms, opportunities and networks for all those who share our vision to connect, engage, share ideas and expertise.

From our staff to our Fellowship, to partners and practitioners, we are an inclusive global community of over 30,000 influential and innovative problem solvers seeking ideas and solutions to resolve the challenges of our time.

All our activity aims to strengthen, empower and mobilise networks to work together in taking on today's most pressing social challenges. Through our ideas, research, design, innovation skills and Fellowship, we are a global community of proactive problem solvers, uniting people and ideas to resolve the challenges of our time.

Open and inclusive. Underpinning all of our work is an ongoing commitment effort to ensure the RSA is diverse, equitable and inclusive.

Our proven change process, rigorous research and design skills, innovative ideas platforms and our wider convening power combine to enable the RSA to deliver solutions for lasting change.

Our ambitions

Our vision

A world where everyone is able to participate in creating a better future

Our purpose

Uniting people and ideas to resolve the challenges of our time

We are

A global community of proactive problem solvers

Our values

Open	**Always transparent and honest, we welcome new thinking and different perspectives**
Optimistic	**We are confident that together, we can resolve the challenges of our time**
Pioneering	**We champion curiosity, creativity and courage to inspire better ways of thinking and doing**
Rigorous	**Rooted in evidence-led thinking, we act with integrity and purpose**
Enabling	**Through generosity and collaboration, we help others succeed**

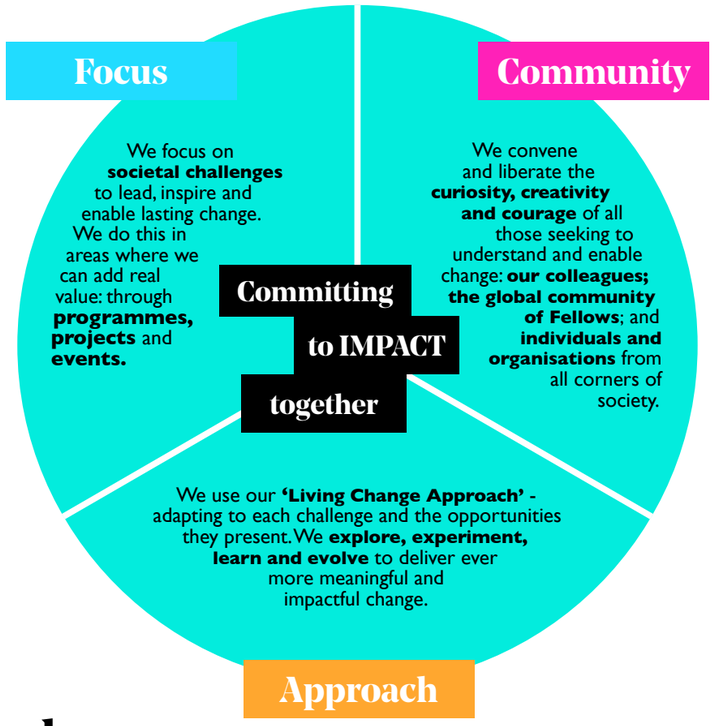
Strategy 2019-22

In October 2019 the RSA completed its strategic review to consider the future direction of the organisation and last year we set ourselves five objectives.

The challenge was how we could leverage the significant assets of the RSA for ever greater real-world impact. Our hypothesis was that we could deliver this by better deployment of the RSA's resources, centred around one central theme: our **Commitment to Impact**. We do this by leveraging our unique combination of **focus, community** and **approach**, see diagram.

Central to our strategic vision is a focus on programmes that make a meaningful difference on a global scale. Last year we set ourselves the objective of developing multi-year, impactful global programmes of change with a sustained funding base and have made strides towards this.

Our first programme, Future of Work, was established during 2019-20, closely followed by a second programme, Regenerative Futures, in 2020-21, and **Fair Education and Learning Society** in 2021-22.



Strategy 2022 onwards

In May 2022 we published our new mission paper, Design for Life, and its accompanying programme of change, underpinned by three closely inter-linked elements that are critical to transition towards better futures for people, place and planet: social impact, social opportunity and social innovation. This brings together the thread of programmes we have been working on over the past three years.

Our new mission and programme will focus on people and places whose opportunities are currently most constrained, whether at school, at work, in communities, in companies or across systems. In this way, we will seek to unlock social opportunity for those whose potential is greatest.

Unlocking social opportunity is best achieved by providing people and places the agency, skills, opportunities and connections to be innovative, creative and entrepreneurial at all stages of their lives, from early years to adulthood. That is what we mean by social innovation. This creates the driving force towards social impact that contributes to resilient communities, rebalanced places, and a regenerative planet.

We need to move from reactive crisis management, to proactive re-imagining of the future state; from doing less harm, to doing more good; from extracting for short-term gains to replenishing for the long-term and future generations.

The Design for Life programme proposes a whole lifecycle and cross-system portfolio of social opportunities to unlock potential for social impact. It introduces seven pathways that will define the RSA's future change programme, these are:

Early years | Pupils | Students | Entrepreneurs | Places | Companies | System

This was a staging post paper. It sets out our overall mission for the RSA, however, we are leaving the detailed design and delivery of the pathways to a co-creative process working with Fellows and partners.

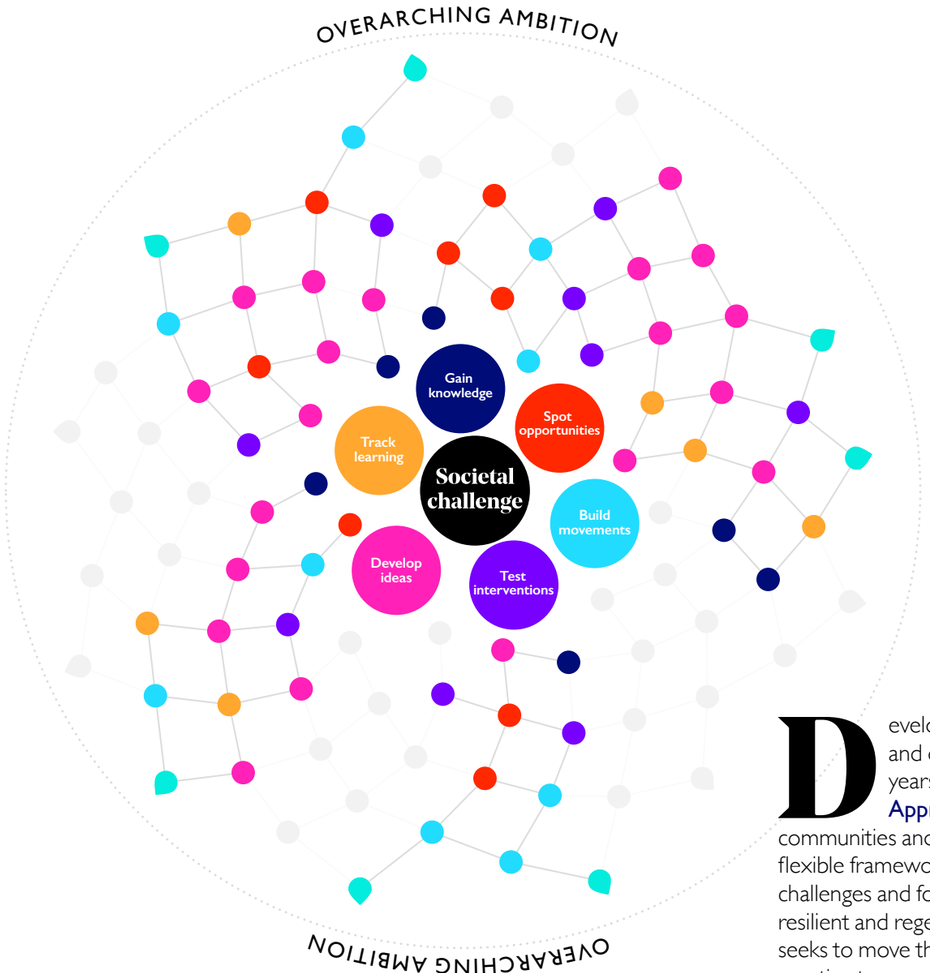
Performance

For 2021-22 we agreed the following objectives:

Objective	What we did
To finalise and deliver a clear value proposition for Fellows	We have worked hard now to finalise a clear proposition to our Fellows and understand how together we can have social impact with them, ensuring that is embedded in all the work we do. A lot of the underpinning work was carried out for this during 2021-22 with clearer messaging and articulation of the proposition. And 2022 will see the launch of a new Fellowship platform to enable Fellows to be involved in our work. We have also improved our onboarding process for Fellows. We have still got work to do to increase our Net Promoter Score (NPS) to ensure we are improving our onboarding process.
To truly prioritise content and activities that contribute to our ambitions and reduce/push out/find new ways of delivering other aspects of our work	Our programmes have refined and focused our work and this work is continuing again as we focus from 2022 on Design for Life as a single programme at the RSA.
To identify and launch three to four programmes	This was completed with the launch of **Learning Society** and **Fair Education**.
To generate £10.5m income for RSA activities and assets	This was achieved despite difficult circumstances.
To increase awareness of the RSA as a social change organisation both amongst those in-the-know about the RSA and beyond	Following the launch of a redesigned website last year, this year we have been able to leverage this to significantly enhance our profile. We ran two significant campaigns profiling our Living Change Approach in a change-making campaign and our Regenerative Futures work which was aligned to COP26.
To deliver the organisational changes and embed DE&I work so we can do the best work of our lives driving impact	This work has continued looking at the historical context of the RSA, understanding the implications for our history. We have also continued a significant amount of internal work improving our HR processes and updating our job descriptions in line with best practice. See Note 4 of the financial statements for our staff diversity statistics.

Overview

The characteristics of the RSA's route to social change over the centuries have come together to shape its overall approach – the **Living Change Approach**.



Developed incrementally and organically over the years, the Living Change Approach aims to equip communities and organisations with a flexible framework for tackling complex challenges and forging rebalanced, resilient and regenerative futures. It seeks to move them from existing best practice to emerging **next** practice.

The Living Change Approach embodies three elements: a distinctive and dynamic **process**, a set of provocative **perspectives**, and a constellation of cross-disciplinary practices.

Living Change perspectives and practices

Living Change perspectives The way we **think** about challenge and change...	**Living Change practices** The way we **act** on challenge and change...
Systemic We see and change systems in nested and interconnected ways.	**Research + evaluate** We robustly interrogate challenges and trends from a hyperlocal to a global scale through qualitative and quantitative research. We apply systems thinking to interrogate current challenge and we evaluate the outcomes of our work to understand where impact has been achieved for **people, place and planet**.
Imaginative We draw on our capacity for imagination to create hopeful alternatives to the reality that we know.	
Adaptive We recognise that change is living as we design, test and iterate to improve ways forward.	**Design + innovate** We bring together diverse creative practices to take us from **now** to **next**. Futures thinking, systems innovation, regenerative, enterprise and learning design, are all critical to challenge, re-imagine and realise the future of products, services, places, organisations, relationships, systems and narratives.
Collective We bring the power and wisdom of the collective to lead change, with the welfare of all of **people, place and planet** at the heart, in equal measure.	
Long-term We hold a long-term view of success and consequence beyond this generation.	**Participate + convene** We work with, and bring together a diversity of people, viewpoints, organisations and sectors to build movements with inclusive commitment for the long term and collective action in the now. This area of practice includes participatory and deliberative decision-making, policy convening and influencing, and content development and publishing to change public narratives.
Local to global We start with place and context to impact (bio)regionally and globally.	



NHS Lothian and RA staff cohort

What was the challenge?

NHS Lothian is one of the 14 regions of NHS Scotland covering a population of over 850,000.

It provides healthcare services in the City of Edinburgh, the East Lothian, Midlothian and West Lothian areas with a budget of £1.6bn and over 26,000 staff working across all aspects of the health service.

In light of the Covid-19 pandemic, NHS Lothian wished to review its strategic landscape and delivery plans. They faced the critical challenge of responding to immediate demands of the pandemic while at the same time finding new ways of meeting the longer-term pressures for change that were building up.

What happened?

We first undertook a diagnostic review with staff using the RSA's **Future Change Framework** to understand what practices the organisation needed to restart, amplify or end, as well as identify opportunities for change.

This work helped us prioritise the importance of public engagement and a public entrepreneur programme for staff. We therefore brought together a number of local residents over the course of three sessions in which they shared their experiences and ideas. These sessions helped uncover ways in which NHS Lothian could work with others to address the challenges Covid-19 accelerated.

We then convened 12 staff changemakers and supported them to increase their individual and collective impact capabilities over the course of a six-month programme. Each participant worked on their own idea for change while supporting each other, culminating in an insights paper for their colleagues. This innovation programme was the first step towards equipping NHS Lothian staff as public entrepreneurs to respond to the challenges that lie ahead.

What was the benefit?

1. The staff cohort were the first to benefit from the RSA's public entrepreneur programme, equipping them to explore ways of bringing innovations to life and leave a long-lasting legacy within the organisation.

2. Citizens who participated in the workshops gained a greater understanding of the merging challenges of the health sector whilst also having their voices heard.



Future of Work

Future of Work

The RSA's **Future of Work** programme aims to secure good work for all.

We do this by pursuing opportunities that can shift the system at three levels: by influencing key decision makers at the macro level; improving institutional practice at the meso level; and by working with changemakers to test new solutions at the micro level.

Influencing key debates

In September we launched the Economic Security Observatory – a year-long enquiry that tracked the outcomes of keyworkers during the Covid-19 pandemic. Our 'hazard' pay £500 bonus for care workers was implemented by the Scottish and Welsh governments, whilst our recommendation that economically insecure key workers in the private sector should also be entitled to preferential affordable housing access (as some public sector workers are) was taken up by the Greater London Authority.

We have also launched research reports this year on how the jobs impact of decarbonisation diverges dependent on sector and place; and the potentially acute impact of automation on social housing tenants.

Creating impactful resources

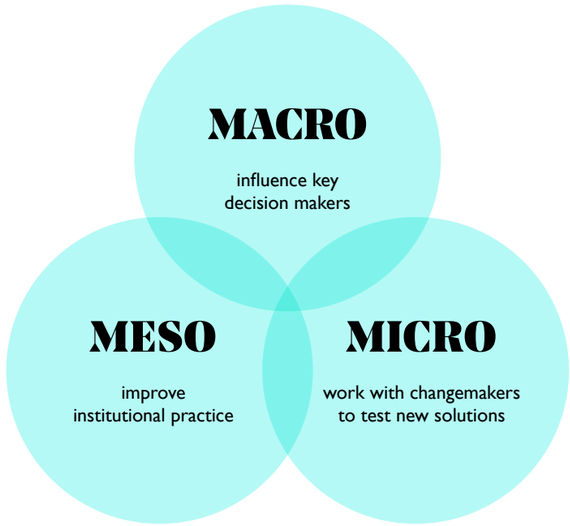
This year we have developed a new post-graduate course based on the RSA's Future of Work content that will help develop budding changemakers at the University of Coventry. This will go into the field next academic year. In partnership with the Autodesk Foundation, we developed a directory for funders and changemakers that highlights over 180 of the world's leading social innovations in worker-tech.

A directory for funders and changemakers was developed which highlights over 180 of the world's leading social innovations in worker-tech

Developing new solutions

Our major pilot this year has been to test a new careers coaching platform in France (see case study).

How we work to shift the system:





Regenerative Futures



Future of Work: Jobflix case study

In 2020 the RSA embarked on a new project with French social enterprise Bayes Impact and the Mastercard Center for Inclusive Growth.

BAYES IMPACT

Center for Inclusive Growth

In early 2021, we launched the fruits of this collaboration: **Jobflix** – a new digital careers coaching platform. Targeted at lower skilled younger workers in France, **Jobflix** allows its users to explore different career pathways on an accessible new platform. Each career pathway comes with clear information on the salary potential, the training and skills needed, or the likely competitiveness of the labour market. Using this data and the individual aspirations of its users, **Jobflix** then makes personalised recommendations which connect people to training or employment opportunities.

Since its launch, the platform has reached a total of 100,000 users. Over half explore a career pathway in depth and 43 percent the training opportunities that connect to it. To evaluate the platform's impact on improving the job readiness of users, we also surveyed a smaller subset of users who either saved a career in their account or registered for coaching recommendations. Of this user group, we found that 93 percent of users are interested in a career found on **Jobflix**; 87 percent are ready for training in that career; and 84 percent are willing to commence training for it now.

The next stage of the partnership is to bring these insights to the UK – **Jobflix** is amongst a package of Bayes Impact services that is being tested in 11 jobcentres as part of a Department of Work and Pensions pilot.



Regenerative Futures

The future doesn't just happen, it's up to us all to create it.

The **Regenerative Futures** programme looks at how we can work in harmony as part of the planet's living systems through manifesting the potential of people, communities and places. It aims to build awareness, capabilities and demonstrate in practice what it could look, act and feel like.

This year we built on the initial programme development with a full external launch and accompanying campaign across social media platforms and the RSA website. This included releasing the positioning paper, **From sustaining to thriving together**, and curating events in collaboration with RSA Scotland during **COP26**. The campaign resulted in burgeoning relationships with new partners, the recruitment of new Fellows, and opportunities to amplify the reach of our message through invitations to speak on other platforms including the Design Council's Design for Planet conference, and a range of universities and corporates globally.

The collaboration between the Fellows Sustainability Network and RSA Oceania continued with an event series exploring long-term thinking. RSA public events took place with key practitioners including architects Michael Pawlyn and Sarah Ichioka, and Indigenous academics Norm Sheehan, Tyson Yunkaporta and Melanie Goodchild. We also continued to deliver and develop new and existing projects with partners.

In December 2021 the RSA **Bicentenary Medal**, which recognises outstanding contributions to design, was awarded to Dr Daniel Christian Wahl for his lifelong work on design for regenerative cultures. This partnership continues, with a forthcoming podcast mini-series hosted by Dr Wahl to be released later this year.



RSA Bicentenary Medal winner
Dr Daniel Christian Wahl

Learning and education



Learning and education

Our work in 2021-22 across the education system, lifelong learning landscape and through the **Student Design Awards** (SDAs) (see case study) has shown high levels of impact and engagement.

Through our **Fair Education** programme, 46 schools registered for the **Pupil Design Awards** (PDAs) this year and we hosted two online teacher training sessions. Nine mentors delivered 11 sessions to pupils. A PDA-SDA joint awards ceremony is planned for July. Project evaluation is underway.

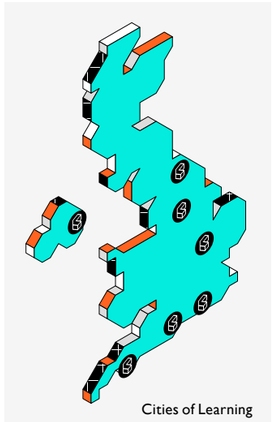
The **inclusive and nurturing schools toolkit** has had 782 downloads since December 2021. We have spoken at five high-profile public events, including the Westminster Insight's Alternative Provision conference.

For our **Preventing School Exclusions** project, we are working with local partners to enable greater local multiagency collaboration in East Sussex, Oldham, and Worcestershire. The Department for Education has expressed interest in project outcomes.

The RSA **Citizens of now** (social action in primary schools) web page and its associated launch event has had 537 and 1,220 respective views since November. Further research funding has also been secured.

Cities of Learning has run projects in Southampton (focusing on the future of work) and Cambridgeshire (focusing on employability, cultural inclusion and wellbeing). In the last quarter, Belfast, Bradford and Tees Valley (our first combined authority) joined the **Cities of Learning** programme – subsidised by a grant from the Garfield Weston Foundation. Use of the **Cities of Learning** digital badges has grown in parallel to the programme. More than 7,000 learners have now benefited from **Cities of Learning** badges.

A new strategic partnership with Ufi has helped to fund research to understand the motivations, barriers and confidence of learners who have not thrived in traditional education settings. We are also developing pilots to support learning through digital inclusion within Bradford and Cambridgeshire.

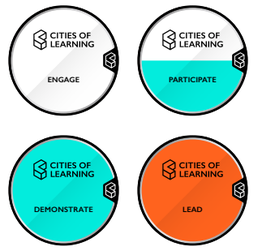


Cities of Learning locations nationwide

7 destinations engaged

7,000 learners benefiting

150 organisations participating



Learning and education: Student Design Awards case study

The 2021-22 Student Design Awards competition had nine briefs that focused on a range of social and environmental challenges, including **collective imagination**, **material reuse** and **future working practices**.

The awards successfully reached its funding targets with a range of existing and new partnerships including the LEGO group, Network Rail, the Marketing Trust and GSK. The team continued with a virtual and global approach to the competition, starting the cycle with a virtual launch event with over 300 live attendees followed by a London Design Festival event focused on pluriversal design, bringing together educators across the globe to discuss design education. These events were followed by targeted briefing sessions to 12 higher education institutions, where the team spoke directly to 340 students in their courses alongside their educators about how best to approach these challenges. This year, 50 percent of schools that received briefing sessions had students on our shortlist.

Our final engagement sessions of the cycle were a series of virtual workshops, focused on introducing students to frameworks and tools to help their thinking and build content area knowledge. Circular design, participatory futures and equitable design were the focus areas and 96 percent of students felt they improved or gained new skills as a result. At time of writing, our judging process is currently underway with £20,500 in prizes available to the winners in total. The programme continues to evolve and in 2022, we will deliver our first pilot with a local community supported by The National Lottery Community Fund.

Public events and ideas platform

From the Great Room to our global digital stage, RSA **public events** feature the most exciting figures working on the world's biggest challenges.

With a programme of both hybrid and fully digital events, the RSA is now reaching greater audiences than ever before, connecting global speakers to global viewers, with our YouTube subscriber numbers now standing at 754,000.

A blended programme is critical to our public events content and audience engagement goals: to enhance speaker diversity; seek out new voices; grow our audiences globally; support and amplify RSA research; and maintain a strong thematic focus on issues of social, economic and environmental justice.

In 2021-22, digital-first events allowed us to respond swiftly and shape the public conversation around emerging and evolving global news stories, trends and debates, from vaccine equity to food security, from the cost of living to the energy crisis, from online safety to good work innovation.

Highlight hybrid events included the launch of the Citizens of now report, featuring young activists and school leaders from across the UK; the induction of a stellar new cohort of Royal Designers for Industry; Andy Haldane's first speech as RSA CEO from the Great Room stage; and an inspiring President's Lecture by former Australian Prime Minister Julia Gillard.

Highlight programming partnerships included the Regenerative Futures events series held against the backdrop of the COP26 climate talks, reaching 10,000 viewers and featuring global trailblazers and policy influencers sharing stories of the bold leadership, collective imagining and indigenous wisdom that can help us create better futures for people and planet.

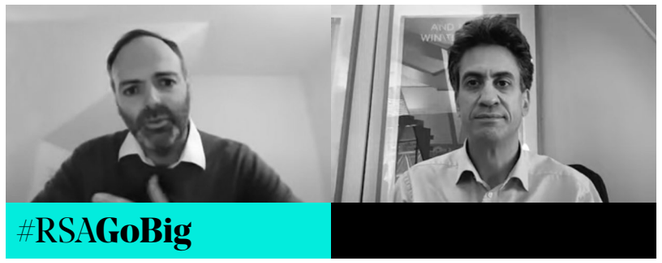
140
public events speakers

10,000
viewers of Regenerative Futures events

459,000
hours of RSA Events watch time

754,000
YouTube subscribers

5.5m
RSA Events YouTube channel views



Ed Milliband, Shadow Secretary of State for Business, Energy and Industrial Strategy, and MP, and Anthony Painter, former RSA chief research and impact officer in conversation at RSA event What will it take to 'Go Big'?



Fellows, Catalyst and affiliates

91.3%
Fellows retained

30,364
Total number of Fellows at year end

42.5%
Fellows joined are women or from other gender minorities

Our Fellows

Throughout the last year our Fellowship community continued to support the RSA. Retention improved to 91.3 percent, with a record number of members making a long-term commitment by taking up Life Fellowship. RSA continued to support the community by providing discounted offers where needed. Recruiting new Fellows proved more challenging – we recruited 2,568 Fellows. Following the lifting of Covid measures we saw signs of recovery in early 2022 and total Fellowship ended at 30,364, with a net loss of 75. The racial diversity of joiners increased by 3 percent to 21 percent and 42.5 percent of joiners are women or from other gender minorities.

Fellowship insight

We continued to respond to Fellowship needs – improving the onboarding experience for new Fellows with a new welcome pack and streamlined communications. We also held seven onboarding events attracting 500 new joiners and started outbound welcome calls. A full Fellow survey was issued in late March and closed with a 21 percent response rate, which will provide the RSA with insight to inform strategies and plans in the coming year.

Fellowship engagement

We introduced three new engagement initiatives this year – the inaugural **Fellows Festival**, **Fellow townhall** meetings and the **Good Work Guild**.

Fellows inaugural festival

We spent the latter part of the year preparing for the inaugural **Fellows Festival** which was held on Saturday 14 May 2022. We had 600 Fellows sign-up and hosted over 40 speakers and presenters.

The aim of the day was for Fellows to share and find inspiration for how we might together start to chart a new path to a fairer and more resilient future.

Fellow townhall meetings

We held three **Fellow townhalls** with over 1,150 sign-ups online. The format is a quarterly gathering of global Fellows together with RSA staff to improve transparency and accessibility with the arrival of a new CEO, and to bring Fellows closer to both RSA work and to each other.

Good Work Guild

A year-long pilot Fellowship initiative closely linked to the goals of the **Future of Work** programme. It is a diverse global network of 295 Fellows (and three non-Fellow advisors) working to tackle the most pressing issues related to economic security and labour market transforming technologies. Nine member-led groups were launched in January 2022 to delve into key themes identified by the network and start to define the challenges and surface new ideas.

Catalyst

In the last year, **Catalyst** grant awards have continued to prove a key avenue of support for our community of Fellows, with a total of 217 applications across the year. **Catalyst** remains competitive, with an average success rate of 12 percent at the last funding round. To address this demand, and build on programme success, we are exploring models for scaling our offer.



RSA | US

Through our work encouraging creative, human-centred solutions, we have become a direct facilitator of societal change, conducting innovative research, sparking networks for collective impact, and supporting Fellows in their desire for purpose and impact.

Our Fellowship has grown to 1,100 Fellows. Through our regional ambassador network, we are supporting Fellowship hubs in key US cities.

The **RSA US** has hosted and supported 12 Fellowship-driven salons and special events over the last year with an average registration of 92 participants per event.

We have covered topics that range from discussions of re-imagining education and gender equity, to the art of serendipity and practices of creativity.



The New Jersey **Future of Work Accelerator** launched in May 2021. This programme is a collaboration between the **RSA US**, the New Jersey Office of Innovation and The Workers Lab. This collaborative initiative identified innovative solutions to improve job quality and economic security.

For more information see: **www.thersa.org/united-states**

RSA | Oceania

RSA Oceania supports Fellows in Australasia, Melanesia, Micronesia and Polynesia. Aside from the UK and US, **Oceania** has the largest concentration of Fellows globally, with 480 Fellows across the region.

During the past year, **RSA Oceania** has actively supported the RSA's **Regenerative Future's** agenda, facilitating global dialogue and engagement around the programme. This has led to an exciting range of initiatives delivered in collaboration with Fellows, including a long form webinar series titled Re-claiming the Future in partnership with the RSA **Sustainability Network**. The series aimed to influence wider conversations around long-termism, with the intention of establishing long-term thinking as a key area of enquiry for the RSA, bringing together stakeholders with interests in futures thinking, regenerative design, and deliberative democracy.

Forthcoming in 2022, **RSA Oceania** will co-produce a podcast on the regenerative movement titled Regeneration Rising with acclaimed author, Dr Daniel Christian Wahl.

A VERY SPECIAL THANKS

RSA FUNDERS AND PARTNERS 2021–22

Our partners are a vital part of the RSA's community of changemakers. Their strategic and financial support is crucial to the RSA's ability to create positive social change.

Corporate supporters

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Statutory and other organisations

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Artswork
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NHS National Services Scotland
Royal Opera House Bridge
Southampton City Council
The Chartered Institute of Marketing
The Centre for Ageing Better
The Institute of Chartered Accountants in England and Wales
The Mighty Creatives

Donations and major gifts

Thanks to all our donors for their invaluable support.

Special thanks to our anonymous Life Fellow and Major Donor who has made numerous key contributions to the work of the RSA.

Environmental reporting

The RSA continues to focus on working to establish a pathway to achieving net zero CO^2 emissions by 2025.

We recognise the climate emergency and wider environmental issues, such as waste, pollution and biodiversity loss, as leading challenges of our time.

Social and environmental challenges are interdependent and within our research and programmatic work we continue to explore practical responses and routes to change. For example, through our work on circular and regenerative economies and on civic participation in shaping more equitable futures.

The new Regenerative Futures programme sets a strong direction for the organisation's approach to sustainability through its external work and its internal operations – committing to going beyond doing less harm into regenerating social and environmental health.

There are many challenges to managing an historic building from a sustainable and environmental perspective, but we continue to make improvements and changes where and when possible.

This past year has seen us coming out of the pandemic slowly with the RSA House beginning to open again to allow our people, Fellows and visitors in. This has shown a fluctuation in our energy and resources. Working at home has proved to be highly successful for many of our people and so flexible working continues to be in place for those who can, working three days in the office and two days remotely. The 'new normal' is still evolving where many events are now hybrid. This should see a reduction in our daily usage over time, helping to have a positive impact on our environmental issues, including the reduction of business travel for our staff.

Energy use

The amount of energy used year on year will fluctuate as this depends on the type and number of events taking place in the RSA House. There was a noticeable increase on energy consumption between 2020-21 and 2021-22 which shows we are returning to the new normal. Corporate events were slow to begin with, but we have seen a significant increase in wedding bookings. Now with many events being hybrid, involving the use of more technical equipment, it is essential that we monitor our energy consumption carefully. All our energy is 'green'. Our public events have also moved to digital-first virtual events and will have an impact on both travel and energy use.

The RSA's energy consultant Inenco were recently instructed to carry out an audit in the building looking at how we operate our equipment, how our energy is used and at other activities that are carried out by our people. We await their findings and actions. Recommendations will be reviewed and discussed internally, and a plan will be made with a view to implementing what is possible and with costs permitting.

Resource use

During our daily operations we continue to recycle as many products as possible. These include all paper and cardboard, glass, tins and any appropriate food packing, as well as many more items.

The RSA Journal is printed on paper sourced from managed forestry and is fully carbon offset through the World Land Trust.

Where possible we manage our water consumption by various controlled water systems in our toilet facilities. Kitchens have spray taps to restrict the amount of water coming out at any one time and our main boilers are on rotation and only come on when hot water or heating is required.

The facilities team have been reviewing the internal meeting rooms and informal spaces for our people as space is limited in the House. Many items of furniture are upcycled, and we are using responsibly sourced items where possible. The IT equipment has been streamlined and updated with clear instructions on how to use it, without having to contact a member of the IT team where possible. A dedicated prayer and reflection room is being created which links to our DE&I work.

Without changing the current light fittings in these spaces all lamps have been changed to LED with minimal cost. Sensor lighting is in place where feasible.

Transport

One of our benefits to employees is a cycle to work scheme which offers a loan towards the purchase of a bicycle to encourage people that can, to cycle to work. There is an outdoor area, for RSA use only, which is secure and contains racks for staff to be able to leave their bicycles whilst at work.

With flexible working hours, our people do not need to travel during the busiest times. It is recommended they use alternative methods of travel where possible. Hybrid working has certainly reduced the amount of travelling by our people.

Sustainability strategy for CH&CO, our catering partner

CH&CO are committed to sourcing the best ingredients and products, locally where possible, for all of their catering. They have set out to achieve zero food waste to landfill, maximise their recycling and minimise waste, working alongside their venues. They have also stated that they want to be the greenest contract caterer by 2023 and achieve net zero by 2030.

Pension funds

Aegon manage our pension funds and have announced their commitment to achieving net zero carbon emissions across our default fund ranges by 2050, with an ambition to halve emissions by 2030.

This means that all our pension default funds will be invested in a combination of investments that actively remove greenhouse gas emissions or reduce existing carbon emissions by 2050. Given over 95 percent of defined contribution scheme members are invested in their scheme default, we believe it's right to focus our efforts on ensuring that default funds, which contain the majority of UK pension scheme members' savings, are invested sustainably.

Modern slavery and human trafficking

As an organisation dedicated to social responsibility, at the forefront of social change for over 260 years, the RSA is absolutely committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

The RSA people regard the minimisation of our impact on the environment as one of our important management tasks. The society's environmental policy is available on our website at www.thersa.org/environmental-policy and our practices are described under sustainability. The key performance indicators for our environmental data for 2021-22 are set out below and these will be updated every year.

Utilities-units	Electricity-kWh 2021-22	Gas-kWh 2021-22	Water-ltrs 2021-22	Total energy 2021-22	2020-21	Water-ltrs 2020-21
Energy	420,849	558,184	n/a	979,033	460,414	n/a
Water	n/a	n/a	935,000	n/a	n/a	382,000
% recycled energy	100	n/a	n/a	100	90	n/a
Energy in tonnes CO^2	221	106	n/a	327	176	n/a
% inc (dec) on 2021-22	58%	187%	145%	112%	n/a	n/a

Travel-units	Car mileage (miles) 2021-22	Mini cabs (miles) 2021-22	Trains (miles) 2021-22	Flights (miles) 2021-22	Total air, road and train travel carbon emissions (tonnes CO2) 2021-22	2020-21
Miles	3,334	2,148	23,061	1,694	30,237	29,245
Tonnes	1	1	8	0	10	45
% inc (dec) on 2020-21	232%	842%	2%	-62%	3%	n/a

Waste	Waste recycled (kgs) 2021-22	White paper usage (boxes) 2021-22	2020-21	Glass recycling (ltrs) 2021-22	2020-21
Volume	16,650	15	3	6,000	750
% recycled	63%	100%	100%	100%	100%
% inc (dec) on 2020-21	31%	383%	n/a	700%	n/a

Building	Total m^2 of building 2021-22	Per m^2 (tonnes CO2 per m^2) 2021-22	Total building carbon emissions (tonnes CO2) 2021-22	2020-21
Building carbon emissions	4,598	0.098	427	178
% inc (dec) on 2020-21	0%	0%	140%	n/a

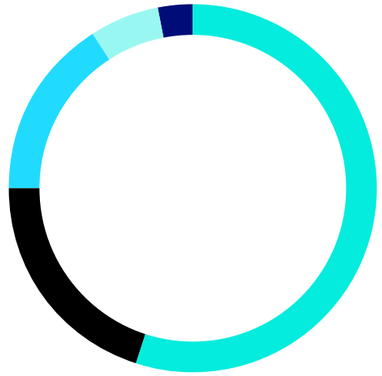
FINANCIAL REVIEW

Although the pandemic continued to have an adverse impact on income, our overall financial health remains strong.

Income for the year increased by 24 percent to £10.4m

Income for the year increased by 24 percent to £10.4m, largely due to the lessening impact of Covid-19. However, it remains 14 percent below pre-Covid levels (£12.1m in 2019-20). Although costs also increased, we ended the year with a net surplus on general funds (before gains on investments) of £0.3m. In 2022-23 we anticipate returning to pre-Covid levels of income and are aiming for a breakeven position on general reserves.

Overall, our net expenditure before investment gains was £0.9m. Investment gains were £1.6m (2020-21 £3.4m) leading to an overall increase in reserves of £0.8m.



Income

There were five principle sources of income as described below:

1. **Fellowship donations** increased by 2 percent to £5.7m. We are grateful to our Fellows for their continued support.
2. **Trading activities** increased from £0.3m to £2.1m as the impact of Covid-19 eased for part of the year.
3. **Programme of projects** increased by 16 percent to £1.6m.
4. **Investment income** was £0.6m (2020-21 £0.6m).
5. **Other income** was £0.3m (2020-21 £0.4m) and includes donations, legacies, insurance proceeds, secondment of our CEO to the cabinet office for six months and a Kickstart grant from Westminster City Council.

Financial review

Expenditure

Expenditure increased by 10 percent to £11.3m (2020-21 £10m) largely due to increased trading activities.

Salaries remained frozen at 2019-20 levels and we increased the maximum employer pension contribution to 5.5 percent (from 5 percent in 2020-21) but this is still less than pre-Covid when the RSA match funded up to 10 percent of salary. Overall staff costs increased by 4 percent to £5.5m due to previously frozen vacancies being filled.

Our charitable activities comprise our programme of projects and programme of engagement which represent 87 percent of total expenditure excluding trading activities which is in line with 2021-22.

Our expenditure on raising funds includes Fellowship administration costs and our trading activities. Expenditure on Fellowship administration was in line with previous year at £1.2m but expenditure on trading activities increased by 60 percent to £2.5m as expected given the increase in trading activity.



Investments and investment policy

Most of the RSA's funds are invested in securities. The RSA's investment policy targets a long-term real rate of return of 4 percent per annum.

Of those funds invested in securities, the majority are invested in the COIF Ethical Charities Investment Fund which aims to provide a long-term total return comprising growth in capital and distributions. The portfolio is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It consists primarily of equities but also may include property, bonds and other asset classes.

The Fund follows an ethical investment policy. The portfolio does not invest in companies engaged in landmine or cluster bomb manufacture or those with a significant involvement in tobacco, pornography or online gambling. These policies are supported by an active engagement programme which seeks to raise standards on a range of issues including human rights, employment practices and climate change disclosure.

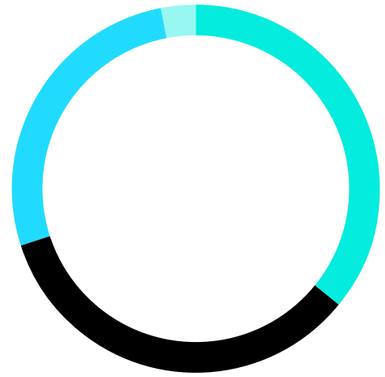
The RSA has a seat on the CCLA Ethical Advisory Committee which enables us to be part of an important conversation on fossil fuel divestment. We believe that this is the best way in which we can invest our funds in a sustainable way and exert the most influence on the companies in which we invest given the size of our portfolio.

During the year there were gains in the net market value of investment funds of £1.6m (2020-21 £3.4m) and investment income was £0.6m (2020-21 £0.6m).

Reserves

The RSA has total reserves of £32.6m (2020-21 £31.8m). These include:

- **Endowment funds** of £11.6m (2020-21 £10.5m) which are invested in the CCLA Ethical Investment Fund.
- **Restricted reserves** of £1m (2020-21 £4.1m). Of this, £0.3m relates to restricted project funds and £0.7m relates to historical donations. See note 11 of the financial statements for further information on the restrictions. The reduction since 2020-21 is due to the reclassification of Shipley Income Fund as unrestricted due to the restrictions on it's use being aligned with the charitable objectives of the RSA.
- **Unrestricted funds** of £19.9m (2020-21 £17.3m). Of this:
  - £10.7m relates to fixed assets (see note 7).
  - £0.2m relates to designated legacies which, whilst technically unrestricted, include clear preferences expressed by the legators as to how the funds might be used. They are typically used to support the programme of projects, allowing us to produce short pieces of work which form the basis for gaining wider fundraising and support or providing match funding for funds received from third parties. This year we used £0.2m from the legacy fund.
  - £9m is general reserves.



Reserves policy

It is important to ensure the RSA is both financially sustainable in the long term and able to cover its operational expenditure in the short term. To this end, the trustees have agreed that the charity should hold at least three months of unrestricted cash expenditure in general reserves.

General reserves are defined as unrestricted funds less fixed assets and the designated legacy reserve. This reflects those funds that the RSA could draw on in a situation of serious need. On 31 March 2022 general reserves were £9.0m (2020-21 £8.9m).

Unrestricted cash expenditure represents the budgeted operating costs for the following year, less depreciation, less the direct costs of hospitality which would not be incurred if activities ceased, and the costs of restricted activities which have their own restricted funding streams. The budgeted unrestricted cash expenditure for 2022-23 is £10.7m (2021-22 £10.4m).

This means we have 10 months of unrestricted cash expenditure in general reserves (2020-21: 10 months) which is comfortably above the minimum required by our policy. The trustees are conscious that holding too many reserves is not the best use of charitable funds. However, given the change in strategy which is underway and our ambitious plans for the future, they consider it prudent to maintain this level of reserves for the time being. Work is underway to review our reserves policy in 2022-23 to ensure it aligns with the underlying risks facing the organisation.

Grant making policy

The RSA achieves its charitable objects, in several ways which include providing grants, providing non-financial support, and carrying out research. Support is provided in a range of different ways, depending on the nature and objectives of each programme.

There is no set allocation of the annual budget for overall grant expenditure, rather, the RSA identifies the desired impact and the most appropriate method of delivery. Where grants are considered to be the most appropriate funding mechanism, the RSA sets out specific criteria for each grant upfront. These criteria vary from grant to grant and they are made available on the RSA's website where open calls are invited.

Applications are then assessed against these criteria and awards made considering:

- Funds available.
- Ability to deliver the objectives of the programme.
- The quality of applications.

The period for which grants are awarded depends upon the programme but typically lasts under one year. Grants are monitored regularly, and appropriate progress reports are required from recipients. See note 5 for details of grants approved and payable in the year.

Fundraising disclosure

The RSA approaches fundraising through the lens of broadening and growing its Fellowship. Fellowship of the RSA is a charitable subscription which generates unrestricted income for the RSA's charitable purposes. Recruitment of new Fellows is through nomination; this is either via staff, existing Fellows or researched invitation.

The RSA does not work with professional fundraisers in relation to personal fundraising but does build relationships with other networks and membership bodies to invite nominees. The RSA will also from time to time run fundraising campaigns with its Fellows to support pieces of work or projects that it takes on.

Professional fundraisers are only used in making grant applications that are outside of its expertise. The last time this occurred was in 2017-18.

The RSA monitors fundraising compliance through its own internal processes; all third parties working with the RSA are required to sign and indemnify the RSA through a data sharing agreement where data is shared. It is the RSA's policy not to share the data of its Fellows without consent, except where necessary, for example with its mailing house to enable Fellows to receive copies of the journal or governance mailings, such as for the renewal of subscriptions or voting as part of the annual AGM. No fundraising complaints were received in the year.

THE RSA APPROACHES FUNDRAISING THROUGH THE LENS OF BROADENING AND GROWING ITS FELLOWSHIP

"The encouragement of the arts manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary, and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes..."

Our charitable objectives

The RSA was founded in 1754 as the Society for the encouragement of Arts, Manufacture and Commerce, it was granted a Royal Charter in 1847, and the right to use the term Royal in its name by King Edward VII in 1908. The Royal Charter company was registered as a charity in England and Wales in 1963 (212424) and is also registered in Scotland (SC037784). The RSA's charitable objects are defined within its Royal Charter as:

"the encouragement of the arts manufactures and commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said arts manufactures and commerce may prosper and be managed efficiently including research on all commerce, design industry, public services, science, technology, social enterprises, voluntary, and other arts, to make both such research findings available to the public as well as all other exclusively charitable purposes..."

The trustee board

The board of trustees is the governing body of the RSA and consists of up to 14 members, of which five are directly elected to the board by the Fellowship, a further two by the Fellowship council from within their number, up to five Fellows elected by the board and two by RSA affiliates or other international representations. Trustees are elected or appointed for a three-year term, and may serve a second three-year term, save for Fellowship council trustees who serve for the currency of the Fellowship council, which is two years. The board met formally four times during 2021-22, as well as attending an additional annual away day. Day-to-day management of the RSA is delegated to the leadership team by the trustees; the leadership team attend all board meetings.

The board has established three permanent committees, each with specific terms of reference and functions that are delegated by the board, and with a board-appointed trustee as chairman: Audit and Risk (which has three external members), Nominations and Governance (which includes three members from the Fellowship council), and People and Remuneration. A representative of the leadership team attends all committee meetings. The external auditors attend one meeting a year of the Audit and Risk Committee.

The board appoints the directors of the RSA's two trading subsidiaries, RSA Adelphi Enterprises Ltd, which has one external non-executive director, and RSA Shipley Enterprises Ltd. The directors of the subsidiaries meet as necessary. The board also monitor the companies' performance.

All trustees and directors receive a tailored induction programme upon joining the RSA and are regularly updated on relevant issues through the board and committee structures. Trustees have noted the Charity Governance Code, as refreshed in December 2020, and agree to the principles it contains. Its principles are incorporated into the trustee induction programme.

Fellowship representation

An important part of the governance of the RSA's relationship with its Fellows is the Fellowship council. During the two year period 2020-22 the Fellowship council formally comprised 22 elected and seven co-opted Fellows. These are:

Specialism	Thematic councillors
Programme councillors	Sarah Beeching Jan Floyd-Douglass Christine McLean Don Mclaverty Peter Quirk Tom Schuller Matthew Treherne
Area	**Area councillors**
Central	Clare Gage Rachel Sharpe
Ireland	Tony Sheehan Robert Worrall
London	Yemi Adeola Nicola Halifax
North	Melanie Hewitt Paul Ingram
Scotland	Elliot Alexander Goodger Stephen Coles
South East	Denise McLaverty Eileen Modral
South West	Neil Beagrie Peter Jones
Wales	Hywel George Dee Gray
Global	Nishan Chelvachandran Enrique Mendizibal
Oceania	Marion Lawie Kim Shore
US	Hosan Lee Jaylena D Lomenech

The Fellowship council elects two representatives to the board of trustees, and the terms of reference specify that at least one of the representatives would be either the chair or the deputy chair of the Fellowship council. In 2020 following the appointment of a new council Nick Parker and Lucy Griffiths were replaced by Don McLaverty and Yemi Adeola.

Principal risks and uncertainties

In May 2019 the trustees and management adopted a formal risk policy statement which sets out an approach to risk as well as the board's appetite for risk under the headings financial and governance, environmental and reputational, charitable work and Fellowship, RSA Global and the RSA House. The risk register itself considers the major risks to which the RSA is exposed, comprising operational, financial, environmental, governance, and law and regulatory risks in line with the risk policy statement. The risk register summarises these potential risks and assesses their likelihood and potential impact. Controls have been identified to limit each of the risks, and responsibility for their management allocated to nominated individuals or directors, and the director charged with supervision. Key risks are regularly reviewed by the Audit and Risk Committee with a different area of the business reviewed in-depth at each quarterly meeting. During 2021-22 we started a review of the approach taken to risk and this will be completed in 2022-23.

At the end of 2021-22 the key risk relates to the implementation of our new strategy: **Design for Life**, and the shift in organisational culture that this will require.

In addition, wider risks arise from the RSA being an organisation which aims to provide a unique platform for new ways of thinking, creating and influencing, the RSA needs to be ahead of the competition in the ideas which it showcases, how it presents those ideas, and how it uses those ideas to gain broad influence and mobilise them for real world impact. The flow of funding for the RSA's charitable work, its ability to attract partners to work with and the capacity to continue to build its Fellowship base all depend on the success of standing out from the crowd. This requires continued investment in digital technology and continued exploration of new methods of drawing in ideas, and new forms of presentation and dissemination including maintain a clear voice in a crowded marketplace.

Trading subsidiary risks are monitored through the respective boards and generally covered by the group risk management policy and statement as well as a separate risks schedule for RSA Adelphi Enterprises Ltd. Apart from the matters arising from its closure due to Covid-19, the primary risks for RSA Adelphi Enterprises Ltd are the ensuring of ongoing quality standards and ensuring forward bookings. This is monitored through monthly as well as more formal quarterly meetings with CH&CO, who run Adelphi Enterprises Ltd on the RSA's behalf on a commission basis and separately also maintain a risk register. CH&CO conduct six monthly internal audits covering health and safety, food hygiene and general standards, although these were paused during Covid-19 with the closure of RSA House, and restarted as trading resumed. Once a year the RSA Adelphi Enterprises Ltd reviews the audit outcomes. The primary risk for RSA Shipley Enterprises Ltd is the need to control its costs and ensure all projects run profitably; this is achieved through project forecasting and time recording to ensure each project makes a profitable contribution.

Day-to-day management of the RSA is delegated by the board of trustees to the leadership team.

Remuneration policy

The RSA operates a broad banded salary structure for all roles including leadership level roles, based on job evaluation and benchmarking using XpertHR. Pay levels are based upon paying 5 percent above the median level in order to enable us to attract the high-quality staff that we require. The annual pay settlement is based on an award to reflect trends in reward and market pay, the inflationary environment and ensuring the affordability of all employees who have passed their probationary period and are not subject to a formal capability or conduct process (generally a percentage increase). The annual pay review is agreed by the leadership management team, signed off by the People and Remuneration Committee and then ultimately approved by the trustee board as part of the annual budget. Given the unique nature of the Covid-19 crisis no pay award was made during 2020-21 or 2021-22.

The board is aware of the need for transparency in how pay is set and its impact on different groups within the organisation.

Key management personnel

The trustees consider that the leadership team, as identified on the inside front cover, comprise the key management personnel. Leadership team pay is signed off on an individual basis by the People and Remuneration Committee based upon individual performance and comparisons provided by XpertHR's annual voluntary sector salary survey for the relevant year.

Statement of public benefit

The trustees confirm that they have complied with the duty laid out in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the society. The RSA's objectives, as laid down in our Royal Charter, are set out on page 35.

This Impact Report describes the benefits of the RSA's activities which relate directly to the RSA's aims and objectives:

- The extensive lectures programme is available to the public free of charge, both through in-person attendance and by accessing RSA content through the website in various formats.
- The results of the RSA's research are wide-ranging and are disseminated free of charge to all interested parties.
- Funding is offered for innovative new projects through RSA Catalyst Awards.
- Innovation and creativity are encouraged though the RSA Student Design Awards and RSA Pupil Design Awards.
- The RSA's 'hands-on' projects, such as those in education, and focused on building communities, have direct charitable benefit.
- The RSA Fellowship is diverse, engaged and influential, and its work, which is given voluntarily, contributes to the capacity of the society to pursue its charitable objects.

The trustees review the activities of the RSA against its aims on an ongoing basis and are satisfied that all activities continue to be related to those aims. No specific issues of detriment or harm have been identified. Ultimately, wider society will benefit from the charity's activities, and this is in keeping with the spirit of the RSA charter. The RSA operates throughout the whole of the United Kingdom, through the website, and through approximately 30,000 Fellows around the world. It has affiliate non-profit organisations in Australia and the United States. Benefits are not confined to any group and the wider benefits of the RSA's activities are intended to include the public.

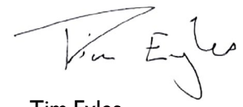
Statement of trustees' responsibilities

The law applicable to charities in England, Wales and Scotland requires trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its position at the year's end. In preparing these financial statements, the trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the charity's SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The charity's trustees are responsible for keeping accounting records in respect of the charity, which are enough to show and explain all the charity's transactions, and which are such as to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to ensure the accounts comply with the Charities Act 2011. The trustees are responsible for safeguarding the assets of the charity, and hence for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

By order of the board of trustees.



Tim Eyles
Chair of the RSA

19 July 2022

10 Independent auditor's report to the trustees of the RSA (the royal society for the encouragement of arts, manufactures, and commerce)

Opinion

We have audited the financial statements of the RSA (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group statement of financial activities, the group and parent charity balance sheets, the group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards, including 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 state of the group's and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's ethical standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 39, they 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 group and charity's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

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

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

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

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- we obtained an understanding of how the charity 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 charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland
(Senior Statutory Auditor)
for and on behalf of
Moore Kingston Smith LLP,
Statutory Auditor

1 August 2022

9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Group statement of financial activities
for the year ended 31 March 2022

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	**2022 total £'000**	2021 total £'000
Income and endowments from:							
Donations and legacies							
Fellowship donations		5,695	-	-	-	**5,695**	5,596
Other donations and legacies		72	-	-	-	**72**	200
Trading activities		2,087	-	-	-	**2,087**	293
Investment income		582	-	45	-	**627**	634
Charitable activities							
Programme of projects		446	-	1,188	-	**1,634**	1,414
Programme of engagement		22	-	-	-	**22**	35
Other income		239	-	-	-	**239**	228
Total income	2	**9,143**	**-**	**1,233**	**-**	**10,376**	**8,400**
Expenditure on:							
Raising funds							
Fellowship administration		1,122	57	2	-	**1,181**	1,190
Trading activities		2,110	360	-	-	**2,470**	1,541
Charitable activities							
Programme of projects		2,664	417	1,296	-	**4,377**	4,133
Programme of engagement		2,968	155	104	-	**3,227**	3,173
Total expenditure	3	**8,864**	**989**	**1,402**	**-**	**11,255**	**10,037**
Net income/(expenditure) before net gains/(losses) on investments		**279**	**(989)**	**(169)**	**-**	**(879)**	**(1,637)**
Net gains/(losses) on investments	8	681	-	75	891	**1,647**	**3,412**
Net income/(expenditure)		**960**	**(989)**	**(94)**	**891**	**768**	**1,775**
Transfers between funds	11	(1,825)	4,507	(2,932)	250	**-**	-
Net movement of funds		**(865)**	**3,518**	**(3,026)**	**1,141**	**768**	**1,775**
Reconciliation of funds							
Total funds brought forward		**9,836**	**7,416**	**4,073**	**10,492**	**31,817**	**30,042**
Total funds carried forward		**8,971**	**10,934**	**1,047**	**11,633**	**32,585**	**31,817**

All incoming and outgoing resources derive from continuing operations. The group has no gains and losses other than those recognised in this statement of financial activities. The accompanying notes form part of these financial statements.

Group cash flow statement
for the year ended 31 March 2022

	2022 £'000	2021 £'000
Reconciliation of net cash provided by/(used in) operating activities		
Net outgoing resources for the year before net gains/(losses) on investments	**(879)**	(1,637)
Interest received and income from investments	**(627)**	(634)
Depreciation	**654**	635
Amortisation	**137**	101
(Increase)/decrease in debtors	**(523)**	828
Decrease/(increase) in stock	**(14)**	12
(Decrease)/increase in creditors	**490**	(213)
Net cash provided by/(used in) operating activities	**(762)**	(908)
Cash flow from investing activities		
Dividend, interest and rents from investments	**627**	634
Purchase of property, plant and equipment	**(627)**	(666)
Proceeds from sale of investments	**1,200**	610
Purchase of investments	**-**	-
Net cash provided by/(used in) investing activities	**1,200**	578
Change in cash and cash equivalents in the reporting period	**438**	**(330)**
Cash and cash equivalents at the beginning of the reporting period	**1,890**	2,220
Cash and cash equivalents at the end of the reporting period	**2,328**	**1,890**

Group and charity balance sheet
for the year ended 31 March 2022

	Notes	Group 2022 £'000	Group 2021 £'000	RSA 2022 £'000	RSA 2021 £'000
Fixed assets					
Intangible assets	7	**376**	247	**376**	247
Tangible fixed assets	7	**10,328**	10,621	**10,328**	10,621
Investments	8	**20,330**	19,883	**20,330**	19,883
		31,034	**30,751**	**31,034**	**30,751**
Current assets					
Stocks		**21**	7	**-**	-
Debtors	9	**994**	471	**843**	446
Short term deposits and cash at bank		**2,328**	1,890	**1,526**	1,585
		3,343	**2,368**	**2,369**	**2,031**
Creditors: amounts falling due within one year	10	**(1,779)**	(1,242)	**(1,235)**	(1,006)
Net current assets		**1,564**	**1,126**	**1,134**	**1,025**
Total assets less current liabilities		**32,598**	**31,877**	**32,168**	**31,776**
Creditors: amounts falling due after more than one year	10	**(13)**	(60)	**-**	(35)
Total assets less liabilities		**32,585**	**31,817**	**32,168**	**31,741**
Unrestricted funds – charity		**19,488**	17,176	**19,488**	17,176
Unrestricted funds – trading subsidiaries		**417**	76	-	-
Restricted funds		**1,047**	4,073	**1,047**	4,073
Endowment funds		**11,633**	10,492	**11,633**	10,492
Total funds	11	**32,585**	**31,817**	**32,168**	**31,741**

The financial statements were approved by the board of trustees on 19 July 2022 and were signed on its behalf by:

Tim Eyles
Chair

Jill Humphrey
Co-treasurer

The accompanying notes form part of these financial statements.

Notes to the financial statements 31 March 2022

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and the inclusion of fixed asset investments at market value as stated in the relevant note(s) to these accounts. 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 thousand pounds. The charity constitutes a public benefit entity as defined by FRS 102.

The group financial statements comprise those of the RSA and its wholly owned subsidiaries, RSA Adelphi Enterprises Limited and RSA Shipley Enterprises Limited. The results of the subsidiaries are consolidated on a line by line basis.

The RSA has a Memorandum of Understanding with RSA Academies, a charitable company limited by guarantee of which the RSA is the sole member. RSA Academies is not consolidated on a line by line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with the Fellows of the RSA in the United States, a separate corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania. As per the bye-laws of the Fellows of the RSA in the US, RSA appoints half of the members of the board of trustees as well as the chair of the board, and therefore holds control in the organisation's governance structure. This US entity is not consolidated on a line by line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with RSA Australia + New Zealand (RSA ANZ) headquartered in Australia, a separate corporation established for charitable purposes under the laws of the Commonwealth of Australia. As per the articles of incorporation of RSA ANZ, RSA appoints half of the members of the board of trustees as well as the chair of the board, and therefore holds control in the organisation's governance structure. RSA ANZ is not consolidated on a line by line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the group will continue in operational existence for the foreseeable future and are not aware of any material uncertainties which may cause doubt on the group's ability to continue as a going concern.

Income and endowments

Donations, including Fellowship donations, including Fellowship subscriptions, are accounted for on a cash basis. Income from grants is accounted for in line with the SORP. All grants are accounted for when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity or a time related condition, are recognised when the charity becomes unconditionally entitled to the grant. All other incoming resources are accounted for on an accruals basis, with income relating to specific periods apportioned over the accounting periods to which it relates. Restricted income is used in accordance with specific restrictions imposed by donors.

Expenditure

Expenditure is charged on an accruals basis, inclusive of irrecoverable VAT. Expenditure incurred on support departments is apportioned to the activity area based on the appropriate driver, such as full time equivalent (FTE) or floorspace.

Operating leases

Lease expenses are recognised as 'operating leases' relating to capital equipment which the RSA does not own. The annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

Intangible assets and amortisation

Intangible assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Amortisation is calculated on the cost of the intangible assets on a straight line basis over the expected useful life of 3-5 years.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Tangible fixed assets are stated at cost with the exception of certain pictures, books and antiques which are stated at a notional value adopted in earlier years and are not depreciable. These items are not considered heritage assets as defined in FRS 102.

Depreciation is calculated on the cost of the fixed assets on a straight line basis over the following expected useful lives:

Freehold premises	200 years from 1978
Building improvements	between 10 and 40 years
Furniture and fittings	between 3 and 5 years

Investments

Investment assets are included in the balance sheet at market value. Unrealised gains and losses on revaluation and realised gains and losses on disposal are taken to the statement of financial activities and dealt with in the relevant fund.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cash and cash equivalents

Cash and cash equivalents include unrestricted and restricted cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company 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. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are recognised as current assets due to be realised within one year or less. As such it is not necessary to amortise these assets.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised as current liabilities and as such it is not necessary to amortise these liabilities.

Funds

Unrestricted funds may be spent in accordance with the RSA's charitable objects at the discretion of the trustees. A designated fixed asset reserve has been created to highlight the value of unrestricted funds tied up in freehold premises and building improvements. A designated legacy reserve has been created to identify legacy receipts where there is an expectation to honour the non-binding wishes of the legator in the way that we spend the monies received.

Restricted funds arise from specific grants for individual projects, appeal receipts for specific purposes and income derived from endowment funds which must be used for restricted charitable purposes.

The capital of the James Cranstoun bequest and Angus Millar trust endowment funds are required to be retained in perpetuity, while the income must be used for restricted charitable purposes. The capital of the Shipley endowment fund may be used in specific limited circumstances, while the income must be used for charitable purposes. The capital elements of all endowment funds accrue investment gains and losses.

Pension costs

For group personal pension schemes the amount charged to the group statement of financial activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either creditors or debtors in the balance sheet.

Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue from performance related grants and contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract. This is estimated using a combination of the milestones in the agreement and the time spent to date compared to the total time expected to be required to undertake the agreement. Estimates of the total time required to undertake the agreement are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making. See notes 9 and 10 for disclosure of the amount by which revenue exceeds progress billing (accrued income) or billing exceeds revenue (deferred income).

Notes to the financial statements continued

2. Income and endowments

Split of income 2022	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2022 total £'000
Fellowship	5,695	-	-	-	-	-	5,695
Donations and legacies (individuals)	17	-	-	-	-	-	17
Commercial organisations	35	-	-	410	22	207	674
Charitable trusts and foundations	-	-	-	1,103	-	-	1,103
Public sector bodies	20	-	-	106	-	32	158
Trading activities	-	2,087	-	-	-	-	2,087
Fees income	-	-	-	15	-	-	15
Dividends, interest and rent income	-	-	627	-	-	-	627
	5,767	**2,087**	**627**	**1,634**	**22**	**239**	**10,376**

2021	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of engagement £'000	Other income £'000	2021 total £'000
Fellowship	5,596	-	-	-	-	-	5,596
Donations and legacies (individuals)	56	-	-	42	-	-	98
Commercial organisations	43	-	-	221	4	-	268
Charitable trusts and foundations	75	-	-	1,081	3	-	1,159
Public sector bodies	26	-	-	47	-	200	273
Trading activities	-	293	-	-	-	-	293
Fees income	-	-	-	23	28	28	79
Dividends, interest and rent income	-	-	634	-	-	-	634
	5,796	**293**	**634**	**1,414**	**35**	**228**	**8,400**

Donations and legacies income includes Fellowship income, unrestricted donations and legacies. This includes £18,000 of Covid-19 related support from Westminster Council (2021: £101,000) (£75,000 unrestricted grant from the Wolfson Foundation, £26,000 in grants from Westminster Council).

Income from other trading activities comprises the income generated through the trading subsidiaries, RSA Adelphi Enterprises Ltd and RSA Shipley Enterprises Ltd. This amounted to:

– From RSA Adelphi Enterprises Ltd., for the hire of conference rooms and the provision of catering services, £1,790,000 (2021: £102,000).

– From RSA Shipley Enterprises Ltd., for the provision of consultancy services, £260,000 (2021: £191,000).

Programme of projects and engagement comprise all funding received towards supporting these particular charitable activities". Please add it above other income.

Other income comprises fee and royalty income generated by the CEO, journal and library, a government furlough grant and insurance proceeds.

3. Expenditure

Expenditure on 2022	Direct costs £'000	Apportioned support £'000	2022 total £'000
Raising funds			
Fellowship administration	915	266	1,181
Trading activities	1,938	532	2,470
Charitable activities			
Programme of projects	3,282	1,095	4,377
Programme of engagement	2,478	749	3,227
Total expenditure	**8,613**	**2,642**	**11,255**

2021	Direct costs £'000	Apportioned support £'000	2021 total £'000
Raising funds			
Fellowship administration	887	303	1,190
Trading activities	1,024	517	1,541
Charitable activities			
Programme of projects	2,990	1,143	4,133
Programme of engagement	2,254	919	3,173
Total expenditure	**7,155**	**2,882**	**10,037**

Direct costs are allocated to categories of activity as follows:

– Expenditure on raising funds comprises the cost of recruiting to and administering our Fellowship and unrestricted fundraising.

– Trading activities comprises the costs associated with the hire of conference rooms, the provision of catering services and with the provision of consultancy services.

– Programme of projects comprise the costs of performing these charitable activities.

– Programme of engagement comprises the costs of other charitable activities including those of the journal, library, Fellowship networks and the costs incurred for activities within the areas and nations.

The external audit fee was £40,000 (2021: £35,000). Fees paid to the auditors for non audit services were £3,000 (2021: £3,000).

Where expenditure cannot be directly allocated it represents support costs (see analysis of apportioned support costs on the following page) and is apportioned on a basis consistent with the use of resources, for example the number of full-time equivalent staff or floor space. Costs relating to external communications have been included in the direct costs of the activities which they support.

Total expenditure excludes the value of work contributed by Fellows to the activities of the RSA.

Notes to the financial statements continued

3. Expenditure – continued

Analysis of apportioned support costs 2022	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	2022 total £'000
Establishment	26	334	93	68	521
Executive management	46	38	192	130	406
Finance	33	27	137	93	290
Human resources	60	49	250	170	529
Information technology	71	59	297	202	629
Governance	30	25	126	86	267
Total	**266**	**532**	**1,095**	**749**	**2,642**

2021	Fellowship administration £'000	Trading activities £'000	Programme of projects £'000	Programme of engagement £'000	2022 total £'000
Establishment	25	311	89	64	489
Executive management	60	12	140	259	471
Finance	36	32	151	98	317
Human resources	80	71	336	220	707
Information technology	64	57	268	175	564
Governance	38	34	159	103	334
Total	**303**	**517**	**1,143**	**919**	**2,882**

4. Trustee and staff costs

Trustees

Members of the trustee board and committees do not receive any remuneration for their services. Travel expenses of £0.2,000 (2021: £0.4,000) were reimbursed to two trustees (2021: one). Charitable funds have been used to buy indemnity insurance for trustees at a cost of £7,000 (2021: £9,000).

Staff

The average headcount during the year was 116 (2021: 118). In addition four (2021: two) staff who assist with public lectures and front of house services were on casual contracts.

Recent audits of our staff demographics and pay and benefits demonstrate:

- 24.5 percent of our people enjoy a flexible working pattern.
- 65 percent of our team are women and this percentage is reflected in our most senior team.
- 24 percent of our team are from minority ethnic backgrounds which reflects the ONS statistics of the working population in London.
- 8 percent of our team are from the LGBTQIAP+ community.
- 7 percent of our people describe as having a disability.

The RSA's (mean) gender pay gap is -3.9 percent. This indicates that women employees overall have slightly higher pay than men.

There is no bias of salary levels for people within our team who have a disability and/or are from a minority ethnic background and/or the LGBTQIAP+ community.

External consultants undertaking a pay and benefits audit during the financial year 2021-22 commented: "In overall terms, the analysis of diversity information indicates that the RSA is an exemplar employer for both diversity and pay equality."

4. Trustee and staff costs – continued

The average number of staff employed during the year on a full-time equivalent basis was 111 (2021: 110). This was split across the organisation as follows:

	2022 no	2021 no
Raising funds	10	10
Trading activities*	9	9
Programme of projects	44	43
Programme of engagement	30	28
Support departments	18	20
	111	**110**

*Trading activities includes RSA front of house staff who contribute to services provided by RSA Adelphi Enterprises Limited and programmes staff working to generate funds through RSA Shipley Enterprises Limited.

The cost of these individuals was as follows:

	2022 £'000	2021 £'000
Salaries	4,622	4,538
Employer's National Insurance contributions	488	422
Pension contributions	250	213
	5,360	**5,173**
Agency staff costs	107	102
Total staff costs	**5,467**	**5,275**

The number of employees who earned more than £60,000 during the year was as follows:

	2022 no	2021 no
£60,001 to £70,000	-	1
£70,001 to £80,000	4	2
£80,001 to £90,000	3	1
£90,001 to £100,000	1	1
£100,001 to £110,000	-	3
£110,001 to £120,000	-	-
£120,001 to £130,000	1	-

The number of higher paid employees accruing pension benefits was:

	2022 no	2021 no
Defined contributions scheme – group personal pension	8	8

The total contributions paid by the RSA into the defined contribution scheme for higher paid employees was £38,000 (2021: £35,000). The cost of key management personnel, defined as members of the executive team, including employer's national insurance and pension contributions by the RSA was £359,000 (2021: £352,000).

There were no termination payments in the year (2021: £10,000).

Notes to the financial statements continued

5. Grants/awards paid and payable

	2022 £'000	2021 £'000
Grant creditor at 1 April	45	34
Grants approved before 31 March and payable within one year	766	494
Grants paid/released during the year	(744)	(483)
Grant creditor at 31 March	**67**	**45**

Grants approved before 31 March and payable within one year:

		2022 £'000	2021 £'000
Grants	Grants to Fellows, including Catalyst grants	106	100
Grants	International affiliates	324	273
Grants	RSA Academies	42	100
Grants	Programme of projects	276	1
Awards	Student Design Awards	18	20
	Projects inc SDAs	**294**	**21**
Total		**766**	**494**

The total number of grant recipients was 56 (2021: 68), including the following institutions in receipt of grants totalling £100,000 or more:

	2022 £'000	2021 £'000
RSA Academies	42	100
RSA US	240	199
Bayes Impact France	192	201

6. Operating leases

At 31 March, the commitment for the next year under non-cancellable operating leases relating to equipment and the total outstanding commitment to the end of the leases were:

	2022 £'000	2021 £'000
Within one year	6	6
In 2-5 years	19	24

The rental expense charged to the statement of financial activities for the year was £16,000 (2021: £17,000).

7a. Intangible fixed assets

	£'000
Cost or valuation	
As at 1 April 2021	820
Additions	266
Disposals	-
As at 31 March 2022	**1,086**
Amortisation	
As at 1 April 2021	573
Charge for the year	137
Disposals	-
As at 31 March 2022	**710**
Net book values	
As at 1 April 2021	247
As at 31 March 2022	**376**

7b. Tangible fixed assets

	Freehold premises £'000	Pictures, Building improvements £'000	Furniture and fittings £'000	books and antiques £'000	Total £'000
Cost or valuation					
As at 1 April 2021	4,965	10,600	841	33	16,439
Additions	-	230	131	-	361
Disposals	-	-	-	-	-
As at 31 March 2022	**4,965**	**10,830**	**972**	**33**	**16,800**
Depreciation					
As at 1 April 2021	753	4,534	531	-	5,818
Charge for the year	26	497	131	-	654
Disposals	-	-	-	-	-
As at 31 March 2022	**779**	**5,031**	**662**	**-**	**6,472**
Net book values					
As at 1 April 2021	4,212	6,066	310	33	10,621
As at 31 March 2022	**4,186**	**5,799**	**310**	**33**	**10,328**

The freehold properties at 2, 4, 6 & 8 John Adam Street and 18 Adam Street are listed as historic buildings. They are referred to elsewhere throughout the accounts as 'RSA House'. The RSA is required by law to maintain these properties in their present form in perpetuity. The value of the freehold premises represents the historical cost of acquiring the freeholds plus the cost of additions to the buildings. It is a requirement of United Kingdom accounting standards that freehold buildings should be depreciated over their estimated useful lives. To meet this requirement a notional life of 200 years was attributed to the premises in 1978, and depreciation is therefore charged on that basis.

Fixed assets are stated at cost with the exception of certain pictures, books and antiques which are stated at a notional value adopted in earlier years and are not depreciable. The trustees do not consider that any of these items are heritage assets.

Notes to the financial statements continued

8. Investment assets

Investments in government and other listed securities and Charities Official Investment Funds (COIF) at market values.

Analysis of investment assets	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 total £'000	2021 total £'000
UK	694	86	1,043	1,823	1,948
Overseas	4,965	618	7,470	13,053	13,399
Alternative investments	984	122	1,480	2,586	2,724
Freehold property	390	49	586	1,025	834
Bank deposits	701	87	1,055	1,843	978
	7,734	**962**	**11,634**	**20,330**	**19,883**

Analysis of movement of investment assets	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 total £'000	2021 total £'000
Investments at 1 April 2021	7,086	2,304	10,493	19,883	17,081
Reclassification	1,417	(1,417)	-	-	-
Net withdrawals	(1,200)	-	-	(1,200)	(610)
Net additions	-	-	-	-	-
Transfers	(250)	-	250	-	-
Revaluation gain	681	75	891	1,647	3,412
Investments at 31 March 2022	**7,734**	**962**	**11,634**	**20,330**	**19,883**
Revaluation gain 2021	**918**	**387**	**2,107**	**3,412**	

9. Debtors

	Group 2022 £'000	Group 2021 £'000	RSA 2022 £'000	RSA 2021 £'000
Trade debtors	572	160	282	103
Bad debt provision	(23)	-	-	-
Prepayments	159	213	111	213
Accrued income	161	54	161	54
Other debtors	125	44	125	45
Owed by RSA Adelphi / RSA Shipley	-	-	164	31
	994	**471**	**843**	**446**

Accrued income relates to funds already earned but not yet received for work or activities undertaken in the current year. The accrued income which was brought forward from the previous year has been released in the current year.

10. Creditors

Amounts falling due within one year	Group 2022 £'000	Group 2021 £'000	RSA 2022 £'000	RSA 2021 £'000
Trade creditors	508	314	403	307
Accruals	304	342	259	328
Deferred project income	332	210	306	153
Taxation and social security	162	53	162	103
Other creditors	105	115	105	115
RSA hospitality income received in advance	368	208	-	-
	1,779	**1,242**	**1,235**	**1,006**

Deferred project income relates to funds already received for work or activities due to be undertaken in the coming year. The deferred project income which was brought forward from the previous year has been released in the current year.

Amounts falling due after more than one year	Group 2022 £'000	Group 2021 £'000	RSA 2022 £'000	RSA 2021 £'000
RSA hospitality income received in advance	13	60	-	35

11. Funds

a) Movement in funds

	Balance 1 April 2021 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2022 £'000
Unrestricted funds						
Designated fixed asset reserve	6,989	-	(791)	-	4,507	10,705
Designated legacy reserve	427	-	(198)	-	-	229
Shipley income fund	-	370	-	120	2,932	3,422
General reserve	9,836	8,773	(8,864)	561	(4,757)	5,549
	17,252	**9,143**	**(9,853)**	**681**	**2,682**	**19,905**
Restricted income funds						
Programme of projects	387	1,188	(1,255)	-	-	320
Individual trusts greater than £5k:						
– Shipley income fund	2,932	-	-	-	(2,932)	-
– General lecture fund	178	10	(90)	27	-	125
– Edward Boyle fund	148	4	(1)	11	-	162
– General Award fund	128	6	-	16	-	150
– James Cranstoun bequest	102	14	-	-	-	116
– Dick Onians lecture trust	98	3	(13)	7	-	95
– Angus Millar trust	41	2	-	-	-	43
– Edward Squires fund	39	5	(41)	13	-	16
– F H Andrews bequest	20	1	(2)	1	-	20
	4,073	**1,233**	**(1,402)**	**75**	**(2,932)**	**1,047**

Notes to the financial statements continued

11. Funds – continued

a) Movement in funds

	Balance 1 April 2021 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2022 £'000
Endowment funds						
Shipley expendable endowment	9,976	-	-	847	250	11,073
Individual trusts greater than £10k:						
– James Cranstoun bequest	446	-	-	38	-	484
– Angus Millar trust	70	-	-	6	-	76
	10,492	**-**	**-**	**891**	**250**	**11,633**
Total reserves	**31,817**	**10,376**	**(11,255)**	**1,647**	**-**	**32,585**

b) Restricted income funds

The restricted programme of projects fund includes grant funding which has been received during the course of the financial year to support this charitable activity. The Shipley income fund is the income generated by the Shipley endowment fund which is used to support the RSA's programme in furtherance of its charitable objects. It was transferred from restricted to unrestricted funds in the year due to the restrictions on its use being aligned with the charitable objectives of the RSA. The Edward Boyle fund originates from a donation made by the Edward Boyle memorial trust in 1995 and is to be used, in the name of Edward Boyle, for the provision of bursaries at the University of Leeds, in addition to lectures at the University of Leeds and the RSA which should be broadly related to education, music and/or learning The general awards fund and general lecture fund were set up during the 2015-16 fiscal year and each comprise a group of funds released to restricted from endowment with the permission of the Charity Commission. The general awards fund may be used for the encouragement of arts, manufactures and commerce by the provision of awards, prizes, bursaries and grants, and the general lecture fund for the encouragement of arts, manufactures and commerce by the provision of lectures, and related costs.

c) Endowment funds

The endowment funds are trusts set up by individual donors in support of specific purposes such as named lectures and preservation of historic buildings. £440,000 income arising from the expendable endowment was included in unrestricted funds in accordance to the requirements of the funds (2021: £440,000). During 2017-18, the RSA gained permission from the Charity Commission to take a loan of up to £3.5m from the Shipley Expendable Endowment Fund to fund the redevelopment of the RSA House. Of this, £2.5m was used and was transferred to general funds in 2018-19. Repayment began in 2019-20 with the transfer of £250,000 from general funds to the endowment. No repayment was made in 2020-21 as it is paid for by the return on the redevelopment of RSA house and, due to Covid-19, RSA House made a loss in that year. Repayments resumed this financial year.

d) Analysis of net assets between funds

	Tangible and intangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities £'000	Fund balances £'000
Unrestricted funds					
Designated fixed asset reserve	10,704	-	-	-	10,704
Designated legacy reserve	-	230	-	-	230
General reserve	-	7,504	3,259	(1,792)	8,971
	10,704	7,734	3,259	(1,792)	19,905
Restricted income funds	-	962	84	-	1,046
Endowment funds					
Expendable	-	11,073	-	-	11,073
Permanent	-	561	-	-	561
	-	11,634	-	-	11,634
Total funds	**10,704**	**20,330**	**3,343**	**(1,792)**	**32,585**

12. Pension schemes

The consolidated statement of financial activities includes contributions by the charity to the group personal pension scheme of £250,000 (2020: £214,000).

13. Taxation

As a registered charity the RSA is not liable to taxation on its income and capital gains so long as they are used for its charitable purposes.

14. Related parties

None of the trustees have been paid remuneration. In April 2021 Andrea Kershaw was contracted, through her agency, to provide organisation review support. The fees for this work were £30,000.

15. Subsidiary undertakings

a) RSA Adelphi Enterprises Limited

The company principally operates a hospitality business within the RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly owned subsidiary and is incorporated in England and Wales. Two members of the RSA trustee board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £100, represented by 100 shares of £1 each. The shares are not disclosed in the balance sheet summary below because they round down to £0,000.

i) Summary of profit and loss account for RSA Adelphi Enterprises Limited (company number: 02784581)

	2022 £'000	2021 £'000
Turnover	1,825	102
Cost of sales	(1,113)	(345)
Gross profit	**712**	**(243)**
Other expenses	(415)	(15)
Net profit	**(297)**	**(258)**
Bank interest	-	-
Gift aid paid to RSA	-	-
Net movement in funds	**297**	**(258)**

ii) Summary of balance sheet for RSA Adelphi Enterprises Limited

	2022 £'000	2021 £'000
Current assets:		
Stocks	21	6
Debtors	288	82
Cash	674	162
Owed by group	-	-
	983	**250**
Creditors:		
Creditors	105	8
Payments received on account	381	233
Owed to group	160	-
Other creditors	40	9
	686	**250**
Net assets/share capital	**297**	**-**

Notes to the financial statements continued

15. Subsidiary undertakings – continued

b) RSA Shipley Enterprises Limited

The company principally operates a consultancy business within the RSA House. It is also able to undertake any other activity regarded as 'trading'. It is a wholly owned subsidiary and is incorporated in England and Wales. Two members of the RSA trustee board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by gift aid. The RSA's investment in the share capital is £1, represented by one share of £1. The share is not disclosed in the balance sheet summary below because it rounds down to £0,000.

i) Summary of profit and loss account for RSA Shipley Enterprises Limited (company number: 08716337)

	2022 £'000	2021 £'000
Turnover	289	191
Cost of sales	(100)	(73)
Gross profit	**189**	**118**
Other expenses	(69)	(43)
Net profit	**120**	**75**
Gift aid paid to RSA	(75)	(20)
Net movement in funds	**45**	**55**

ii) Summary of balance sheet for RSA Shipley Enterprises Limited

	2022 £'000	2021 £'000
Current assets:		
Debtors	27	26
Cash	129	143
	156	**169**
Creditors:		
Creditors	31	70
Owed to parent	5	23
	36	**93**
Net assets/share capital	**120**	**76**

c) Reconciliation of subsidiary results to group reporting

	2022 £'000	2021 £'000
Income from trading activities	2,087	293
Expenditure on trading activities – direct costs	(1,938)	(1,024)
Contribution to RSA overheads	**149**	**(731)**
Expenditure on trading activities – support costs	(532)	(517)
As reported in RSA consolidated financial statements	**(383)**	**(1,248)**
Add back support costs apportioned to activity for group reporting purposes	532	517
Add back direct costs incurred by parent allocated to activity for group reporting	713	616
Add back intercompany charges eliminated upon group reporting consolidation	(445)	(68)
RSA Adelphi/Shipley Enterprises reported profit	**417**	**(183)**

d) Other subsidiary undertakings

The RSA also has three other subsidiary undertakings as follows, none of which are consolidated as they would not materially affect the figures reported in, or presentation of, the consolidated accounts:

(i) RSA Academies, a company limited by guarantee and a registered charity;

(ii) RSA Australia and New Zealand, a corporation established for charitable purposes under the laws of the Commonwealth of Australia;

(iii) RSA US, a corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania.

16. Parent charity result

	2022 £'000	2021 £'000
Income and endowments	8,763	8,175
Expenditure	(10,058)	(9,629)
Gift aid income from subsidiaries	75	20
Net income/(expenditure) before net gains/(losses) on investments	(1,220)	(1,434)
Net gains/(losses) on investments	1,647	3,412
Net movement of funds	**427**	**1,978**

17. Financial instruments

	Group 2022 £'000	Group 2021 £'000	RSA 2022 £'000	RSA 2021 £'000
Carrying amount of financial assets				
Debt instruments measured at amortised cost	835	258	732	233
Instruments measured at fair value through profit or loss	18,486	18,904	18,486	18,904
	19,321	19,162	19,218	19,137
Carrying amount of financial liabilities				
Measured at amortised cost	952	808	768	750

Notes to the financial statements continued

18. Comparative statement of financial activities

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000
Income and endowments from:						
Donations and legacies						
Fellowship donations		5,596	-	-	-	5,596
Other donations and legacies		200	-	-	-	200
Trading activities		293	-	-	-	293
Investment income		166	-	468	-	634
Charitable activities						
Programme of projects		221	-	1,193	-	1,414
Programme of lectures and events		35	-	-	-	35
Other income		228	-	-	-	228
Total income	2	**6,739**	**-**	**1,661**	**0**	**8,400**
Expenditure on:						
Raising funds						
Fellowship administration		1,141	49	-	-	1,190
Trading activities		1,214	327	-	-	1,541
Charitable activities						
Programme of projects		2,588	223	1,322	-	4,133
Programme of engagement		3,006	97	70	-	3,173
Total expenditure	3	**7,949**	**696**	**1,392**	**-**	**10,037**
Net income/(expenditure) before net gains/(losses) on investments		**(1,210)**	**(696)**	**269**	**-**	**(1,637)**
Net gains/(losses) on investments	8	918	-	387	2,107	3,412
Net income/(expenditure)		**(292)**	**(696)**	**656**	**2,107**	**1,775**
Transfers between funds		2,100	-	-	(2,100)	-
Net movement of funds		**1,808**	**(696)**	**656**	**7**	**1,775**
Reconciliation of funds						
Total funds brought forward		8,028	8,112	3,417	10,485	30,042
Total funds carried forward		**9,836**	**7,416**	**4,073**	**10,492**	**31,817**



8 John Adam Street London WC2N 6EZ

general@rsa.org.uk | 020 7930 5115 | www.thersa.org

RSA (THE ROYAL SOCIETY FOR THE ENCOURAGEMENT OF ARTS, MANUFACTURES AND COMMERC

England & Wales - Charity number 212424

Accounts

RSA

IMPACT REPORT 2020–21

And financial accounts

For the year ended 31 March 2021

Contributors

Patron

Her Majesty The Queen

President

Her Royal Highness
The Princess Royal

Trustees

Tim Eyles
Chair

Philippa Wilson
Deputy Chair

Jill Humphrey
Co-Treasurer

Stephen Gleadle
Co-Treasurer

Yemi Adeoloa
from November 2020

Ian Coleman
until October 2020

Nick Parker
until November 2020

Andrea Kershaw

Sam Lewis
from October 2020

Lucy Griffiths
until November 2020

Charlotte Oades

Jan Portillo

Shaifali Puri
from May 2020

Shonagh Manson

Don Mclaverty
from November 2020

John Towers
(also RSA Academies Chair)

Principal Office

8 John Adam Street,
London WC2N 6EZ

Executive team

Matthew Taylor
Chief Executive

Natalie Carsey
Chief Operating Officer

Anthony Painter
Chief Research and
Impact Officer

Constitution

The RSA is a charity governed by a Royal Charter (RC000523). It is registered under the Charities Act 2011. Registration Number 212424.

The RSA is also registered in Scotland. Registration Number SC037784.

Auditors

Moore Kingston Smith LLP
Devonshire House,
60 Goswell Road,
London EC1M 7AD

Bankers

Coutts & Co.
440 The Strand,
London WC2R 0QS

Pension consultants

Secondsight (formally
Foster Denovo Limited)
2 Hamm Moor Lane,
Weybridge,
Surrey KT15 2SA

Surveyors and property consultants

MHBC
4 St Paul's Churchyard,
London EC4M 8AY

Solicitors

Russell-Cooke
2 Putney Hill,
London SW15 6AB

Collyer Bristow
140 Brompton Road,
Knightsbridge,
London SW3 1HY

Investment managers

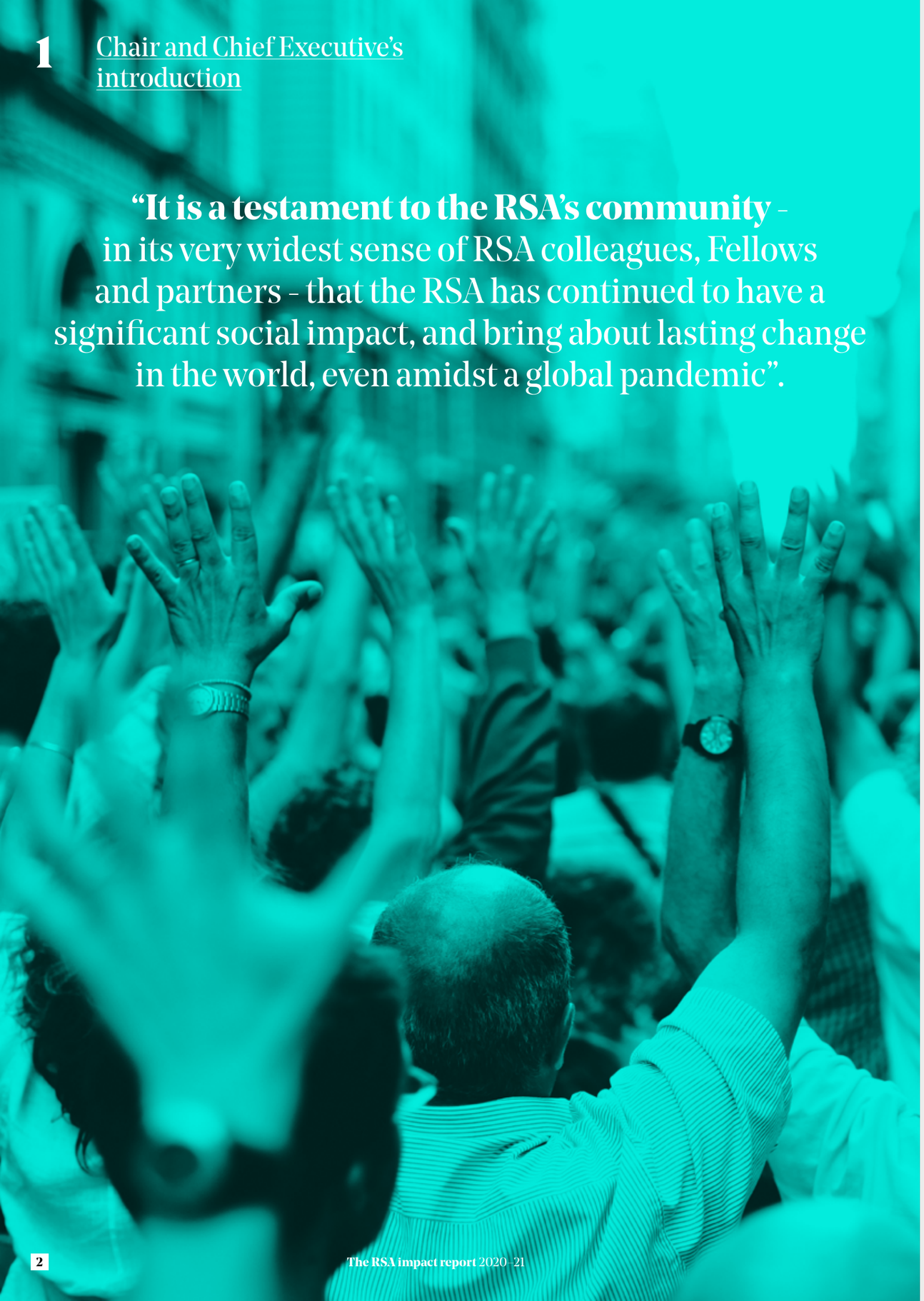
CCLA
Senator House,
85 Queen Victoria Street,
London EC4V 4ET

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1 Chair and Chief Executive's introduction

"It is a testament to the RSA's community – in its very widest sense of RSA colleagues, Fellows and partners – that the RSA has continued to have a significant social impact, and bring about lasting change in the world, even amidst a global pandemic".



A year ago, we had no way of knowing how seismic the impact of Covid-19 on the world would be. It is a testament to the strength of the RSA's community – in its very widest sense of RSA colleagues, Fellows and partners – that the RSA has continued to have a significant social impact, and bring about lasting change in the world, even amidst a global pandemic.

There were many highlights in 2020-21, including two significant campaigns. In May and June 2020, we ran our **Bridges to the Future** campaign, which aimed to identify how the world could, and should, change after the pandemic. This ensured that the RSA was focused on the challenges and opportunities presented by the Covid-19 crisis, to enable society to emerge stronger, safer and fairer after the pandemic abated.

Our **Future Change Framework** helped make good on that objective. As a systematic way to think about how we respond to crisis, this framework was used successfully by the Ministry of Justice and many others. In early 2021, we then followed this up with the **Living Change** campaign, which celebrated and socialised how we are working with and through others to **Make Change Happen.**

To our Fellows, we say thank you for your continuing support to the RSA, especially during such a difficult time. The Fellows are a key reason the RSA is a unique institution. Their contribution has been critical to our success during 2020-21, both financially but as importantly through the Fellowship council, network leads and members, those involved in programmes through advisory panels or working directly on projects, global affiliate boards and hubs, those contributing to our website through **RSA Comment** or part of our **Make Change Happen** campaign.

To our RSA colleagues, we say thank you for maintaining excellence within the RSA. Despite the challenges, including working remotely, you have delivered high-quality, high-impact projects, events and Fellowship programme. At the same time, the energy of the 2019 strategic review has not been lost, with the launch of a new brand and website, among many other achievements.

This year will see a change at the top of RSA, with Matthew moving on after 15 years of outstanding service as Chief Executive. We extend to Matthew our thanks and best wishes for the future.

The RSA has been at the forefront of societal change for over 250 years. In the light of the pandemic, that social change is needed now more than ever – and the importance of the RSA in leading that change is needed. Through our programmes of work - the **Future of Work, Regenerative Futures, Fair Education** and a **Learning Society** – we look forward to making good on this social mission in the years ahead.



Tim Eyles
Chair



Andy Haldane
Incoming CEO



We are the RSA. The royal society for arts, manufactures and commerce. We unite people and ideas to resolve the challenges of our time.

We're committed to a future that works for everyone. A future where we can all participate in its creation.

The RSA has been at the forefront of significant social impact for over 250 years, providing platforms, opportunities and networks for all those who share our vision to connect, engage, and share ideas and expertise.

From our staff, to our Fellowship, to partners and practitioners, we are an inclusive global community of over 30,000 influential and innovative problem solvers.

All our activity aims to strengthen, empower and mobilise networks to work together in taking on today's most pressing social challenges. Through our ideas, research, design and innovation skills and Fellowship, we are a global community of proactive problem solvers, **uniting people and ideas to resolve the challenges of our time.**

Find out more at thersa.org

Our ambitions

Our vision

A world where everyone is able to participate in creating a better future

Our purpose

Uniting people and ideas to resolve the challenges of our time

We are

A global community of proactive problem solvers

Our values

Open	**Always transparent and honest, we welcome new thinking and different perspectives**
Optimistic	**We are confident that together, we can resolve the challenges of our time**
Pioneering	**We champion curiosity, creativity and courage to inspire better ways of thinking and doing**
Rigorous	**Rooted in evidence-led thinking, we act with integrity and purpose**
Enabling	**Through generosity and collaboration, we help others succeed**

Open and inclusive

Underpinning all of our work is an ongoing committed effort to ensure the RSA is diverse, equitable and inclusive. Inequality is systemic, so we must actively challenge it in everything we do.

Through the past year we have looked to increase diversity in our governance structures and to how we can ensure our Fellowship and leadership is increasingly representative and diverse. The Fellows we recruit in the UK are of a more diverse racial background than the population at large given their median age. We are also working to increase the gender imbalance within the Fellowship. You can find more detailed statistics on page 11.

We recognise that we can always do better when it comes to learning about Diversity, Equity and Inclusion (DE&I). During 2020-21 we have worked as RSA colleagues to understand how we might do this, including building DE&I into a new set of employee competencies. Two-thirds of our staff are female (both in general and at senior levels) and 25 percent are BAME.

We have also continued to work to try and ensure public events truly reflect the communities we collaborate with, and are working with specialists to explore and reflect on our history with regard to colonialism and slavery.

We look forward to sharing this and some of the other work we are undertaking in the coming year.

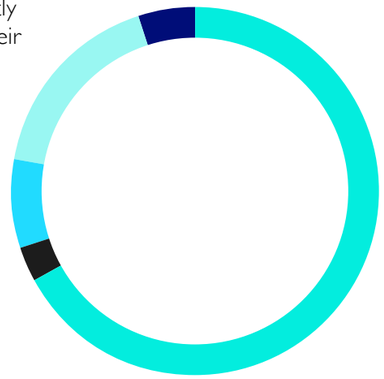
We're confident that with our proven change process, rigorous research and design skills, innovative ideas platforms and wide convening power, we can enable the RSA to deliver diverse, equitable and inclusive solutions for lasting change.

How we're funded and the impact of Covid-19

Overall income fell by 31 percent from anticipated budget to £8.4m largely due to the impact of multiple lockdowns and trading restrictions on our hospitality business. We are grateful to have benefited from around £300k of Covid-19 related grants.

Costs were reduced by £4m due to lower costs of sale and an organisation wide effort to cut expenditure to mitigate the fall in income.

Our main source of income this year remained from our Fellows in the form of membership subscription which we treat as charitable donations. This year, because of the drop in other income, it accentuated the importance of our Fellows in giving the RSA stability but also, as importantly emphasised by Tim and Andy in their introduction, it is the Fellows that continue to make the RSA unique as an organisation. For a detailed breakdown of our finances please see page 59.



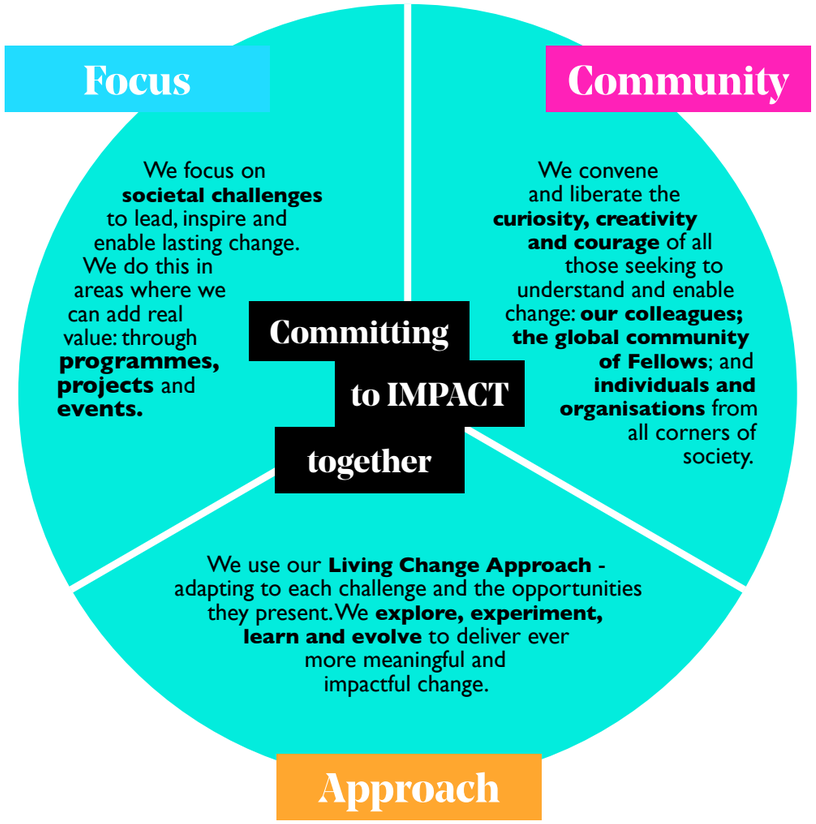
67% Fellowship donations
3% Trading activities
8% Investment income
17% Programme of projects
5% Other income

Strategy

In October 2019 the RSA completed its strategic review to consider the future direction of the organisation and last year we set ourselves 10 objectives.

The challenge was how we could leverage the significant assets of the RSA for ever greater real-world impact. Our hypothesis was that we could deliver this by better deployment of the RSA's resources, centred around one theme: our **Commitment to Impact.**

We do this by leveraging our unique combination of:



Central to our strategic vision is a focus on programmes that make a meaningful difference. Last year we made the choice to adapt our programmes of work. By allowing them to run over several years, we enhance their large scale and global impact as well as their sustainable funding.

Our first programme, the **Future of Work**, was established during 2019-21 building and consolidating on the RSA's existing reputation in this space. This was closely followed by a second programme, **Regenerative Futures**, in 2020-21. Heading into the current financial year, we are also excited to adopt **Fair Education** and a **Learning Society** as programmes that will enable the RSA to deliver on its vision.

Objectives

Our impact

2020–21 goals

We will develop between four and five multi-year, impactful global programmes of change with a sustained funding base. We will measure the impact of these goals and sub-goals through KPIs based on our four high-level outcomes of:

- Convening reasoned debate
- Enabling people to realise change
- Influencing key organisations
- Demonstrating practical solutions

Our outcomes

During the year we adopted a new programme in **Regenerative Futures** in addition to the existing **Future of Work.** You can read about our Programmes on page 14 and the goals we set ourselves.

How we achieve impact

2020–21 goals

We will place our Fellows and the wider communities we convene through our ideas platforms, and other communication channels at the heart of our programmes. This will include, building networks in our programme areas, as well as supporting Fellows with their own initiatives when aligned to the programmes of change adopted by the RSA.

We will seek to put the RSA approach of **think like a system, act like an entrepreneur** at the heart of all we do. Producing a learning journey for all staff and supporting Fellows and partners to understand the RSA approach as a core element to realise effective change.

We will embed sustainability, equity, diversity and inclusion at the heart of who we are and of all we do. This will include our Fellows, partners, people and also our programmes and other strategies.

Impact is only possible through the involvement of our Fellows and partners. Ensuring their engagement and ongoing support is critical to our success which we will seek to continuously develop and demonstrate.

Our outcomes

An extensive Fellowship listening exercise helped us build a clear roadmap identifying how we can better involve and support Fellows in our work. We've split the roadmap into phases and are working through hygiene factors that benefit all.

The RSA approach **think like a system, act like an entrepreneur** was renamed, evolving into the **Living Change Approach**, read more on page 36. Our **Make Change Happen** campaign delivered an external toolkit and highlighted our understanding of change. We have embedded learning journeys for Fellows, partners and staff, to directly involve them in our work. We have been on a journey of deep listening and understanding, ensuring equity and inclusion is embedded in our policies, practices and thinking as a whole organisation. Read about our internal sustainability work on page 40. We continue to involve Fellows in all we do, whether it's via our Fellowship council or wider networks and events. Read more on page 26. We proactively develop partnerships around projects and programmes and invite collaboration and co-design where possible. The generous support of our partners is crucial to the RSA's ability to work towards goals. Find a list of our partners on page 35.

How we underpin the RSA

2020–21 goals

Our programmes will be sustained by both external and internal funding. We will seek to grow external programmatic funding year on year through a diverse mix of partners.

We will build resilience through the growth of unrestricted income in, and beyond, existing Fellowship and hospitality income. This will mean:

- Regrowing the hospitality income as Covid-19 allows
- Developing a corporate partnership programme
- Prioritising increasing the diversity of Fellows, whilst maintaining sustained Fellowship growth

We will also seek to grow the RSA brand. Developing a clear marketing and communications strategy, growing recognition of the RSA as a social changemaker and increasing the impact and effectiveness of the RSA idea platforms. We will create a more participatory digital platform that enables greater engagement and involvement in our programmes.

We will strengthen our position as a global organisation and expand our global Fellowship. This will include supporting the development of our two global affiliates (RSA US and RSA Oceania).

We will embed programmatic working throughout the RSA and ensure we work as one combined, focused organisation.

Our outcomes

Despite a tough funding environment we have established a funded portfolio of projects within our programmes; firstly with **Future of Work** and now latterly with **Regenerative Futures** as well the newly adopted programmes falling outside of the financial year spend.

The funding environment has been challenging but despite this we have still shown a net gain of Fellowship while minimising our costs. We have started extending the income we can bring in from different sources, for instance the work we have carried out around **Future Change Framework**.

We have launched a new RSA brand and updated our website both in terms of resolving technical deficiencies but also in creating a more modern design. This now lays the plan for the creation of a more digital participatory platform which we are examining through use of a digital service designer in the financial year 2021-22.

We have committed to providing our affiliates with scaling grants. RSA US is increasingly providing its own revenue generation. Read more about our wider global work on page 32.

We continue to embed programmatic working at the heart of what we do, it is critical to our new way of working.

For the coming year we have set out the following simplified objectives. These will help us emerge from the pandemic with strength and optimism.

1. To finalise and deliver a clear value proposition for Fellows
2. To identify and launch three to four programmes
3. To truly prioritise content and activities that contribute to our ambitions and find new ways of delivering other aspects of our work
4. To generate £10.5m income for RSA activities and assets
5. To increase awareness of the RSA as a social change organisation both amongst those in the know about the RSA and beyond
6. To deliver the organisational changes and embed DE&I work so we can do the best work of our lives driving impact

Performance

Each financial year the trustee board agrees key performance targets with the executive team for the year ahead. For 2020–21, these included:

Diversity, equity and inclusion	2020–21	2020–21 target	% to target
% new Fellows from BAME background (UK only)	18% ▼	22%	81.8%
% new Fellows who are female	42% ▼	50%	84.0%
% staff from BAME background	25% ▲	22%	113.6%
% staff who are female	66% ▲	50%	132.0%
% staff who are female and team lead or above	58% ▲	50%	116.0%

14% of working age people define themselves as not white across England and Wales (2011 Census) and 11% at the average age of a Fellow joining. Compared to this both our staff and our incoming Fellows are more diverse than might be expected. We have a historic gender imbalance in our Fellowship which we are continuously seeking to improve.

Fellowship in numbers	2020–21	2020–21 target	% to target
Total Fellowship number	30,439 ▼	30,825	98.7%
New Fellows	2,770 ▼	3,250	85.2%
Losses	(2,551) ▲	(2,625)	102.9%
Unique attendees at Fellowship events	3,232 ▲	3,000	107.7%

The Fellowship is an important element of how the RSA delivers change and represented an important part of our financial income during the pandemic. Last year we had a net increase of 219 Fellows, which, given the context and circumstances of Covid-19, was an exceptional result.

Engagement with content	2020–21	2020–21 target	% to target
RSA Events video views (incl Replay and Spotlight)	2,842,000 ▲	2,656,500	107.0%
Blog article views	527,139 ▼	546,000	96.5%
Total report and Medium report downloads	78,350 ▼	78,750	99.5%

Digital and social media engagement is a crucial part of the RSA's route to impact. We have not met all of our targets due to changing social media algorithms however our new website has helped us to increase page views towards our target.

Digital and social media impact	2020–21	2020–21 target	% to target
Unique page views: thersa.org	3,381,000 ▼	3,850,000	87.8%
Number of subscribers: YouTube	727,687 ▼	747,523	97.3%
Twitter followers: @theRSAorg	87,447 ▲	86,935	100.6%
Twitter engagement (retweets, mentions, favourites)	162,983 ▲	110,000	148.1%
Facebook followers	108,856 ▲	105,750	102.9%
Facebook engagement (likes, shares, comments)	117,078 ▼	155,000	75.5%

Media impact	2020–21	2020–21 target	% to target
Media (national, regional, digital)	472 ▲	420	112.4%
RSA original podcast downloads	335,352 ▲	80,000	419.2%
RSA Events podcast downloads	191,457 ▲	185,000	103.5%

These numbers are helped by the notable success of the **Bridges to the Future** campaign.

4 Our new brand identity

In September 2020 the RSA launched a new RSA brand identity. This sought to improve the clarity and consistency of our offer and bring to life the RSA's purpose and vision through a compelling single brand identity and unifying brand idea.

The rebrand included adoption across all environments, including digital platforms.

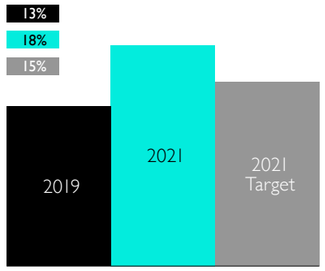
The rebrand was well received by our Fellows with **72 percent in favour** of the changes versus only 5 percent against. Since the launch of the new brand identity, we have seen a 38 percent increase in engagement levels for the RSA among changemakers in the UK, up from 13 to 18 percent compared to pre rebrand levels. Also, an increase in favourability towards the RSA of 3 percent, up from 28 percent to 31 percent.

SOURCE: YOUGOV SURVEY 2021 (2,012 UK ADULTS, 1,000 UK CHANGEMAKERS)

This was accompanied by the release of the first phase development of the RSA website, to improve efficiency, clarity, search and navigation. Feedback has been overwhelmingly positive, users responded to the simplicity and clarity, the impactful look and feel, and fresh and contemporary nature of the website.

Following the brand launch we witnessed an **immediate increase in social engagement.** Brand-led communication undertaken across owned channels as part of the brand launch proved highly engaging, particularly among professional audiences on LinkedIn, driving traffic to the new website.

Any engagement with the RSA



SOURCE: YOUGOV SURVEY 2021

"Awesome fresh design. Makes me proud to be involved. Simple signposting. Clear messaging".

RSA Fellow

Improved website performance

Increased page views: 18 percent increase in page views in the first weeks of going live.

Increased prominence for key programmes: tripled page views to the **Future of Work** year-on-year.

Reduced page load speed: 1.4 seconds versus pre-launch average of 2 seconds.

Reduced bounce rate for key pages: bounce rates for all key pages under 50 percent.

Improved social media engagement

- 6.57 percent engagement (average 3 percent)
- 3.2 percent engagement (average 2 percent)
- 2 percent engagement (average 2 percent)

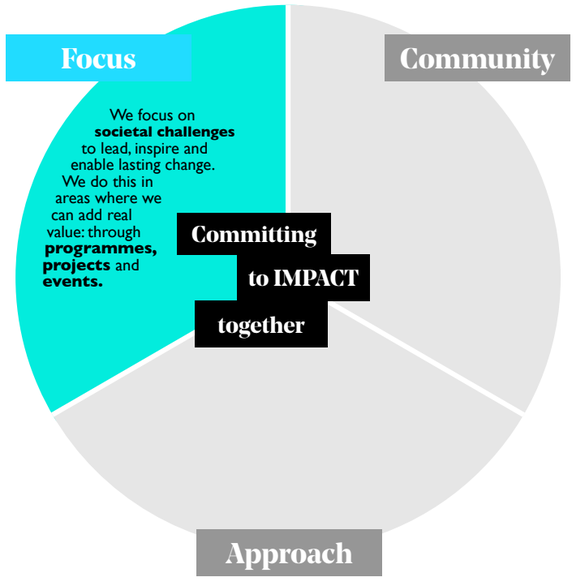








5 Our focus



Focus is critical if we are to ensure we can bring about real and lasting social change in the world.

We apply multi-disciplinary insights to deliver lasting impact on the ground, focusing on societal challenges to lead, inspire and enable lasting change. Focus informs all our work from design and innovation to our public events programme.

Everyone should be able to participate in creating a better future. That does not happen without deliberate and concerted action. The challenges we face matter to all of us. They need a commitment to bring people, ideas and innovative practice together. That, uniquely, is the role played by the RSA, historically and currently.

The challenges of our time are large and numerous: climate and ecological emergency, economic inequality, precarity and insecurity, structural racism and disadvantage, technological opportunity and threat, threats to our physical and mental health and wellbeing, loss of the mission and purpose of our companies, organisations and institutions, and democratic weakness.

In meeting these challenges we will need to transition, justly, at pace and scale over the coming years. Our work at the RSA is committed to enabling that transition. We must be creative in how we seek change. Our Fellowship is at the heart of that creativity, working together with our global affiliates and partners, and our programmes to understand and influence the change that is necessary.

We work with all of the stakeholders crucial to affect social change: businesses, government, the philanthropic sector, higher education, and wider civil society, all in pursuit of our shared aims.

In February 2020, the trustee board approved our first systematic programme, **Future of Work.** During 2020-21, three further programmes were then adopted; **Regenerative Futures, Learning Society** and **Fair Education.** A pipeline programme is being developed looking at the role of **People and Place.**

In pursuit of these objectives, we apply future thinking, rigorous research, an ability to support and catalyse innovation, in order to develop capabilities in others and to promote public engagement and knowledge-sharing. We measure ourselves by the difference we make to society. We adopt a thorough, consistent and inclusive way of working - the **Living Change Approach** (see page 36). This requires us to understand the whole system, to work with multiple partners in open and entrepreneurial ways, and to never lose sight of the different world we want to see.

WE BELIEVE IN A FUTURE...

- **Offering good work, at a good wage, for all**
- **That is regenerative, with humanity and the environment replenishing one other**
- **Where education is transformative, widening horizons of knowledge and experience**
- **Where learning is lifelong and sustains shared prosperity**
- **Where the social, economic and democratic systems that support us, most particularly in the places we live, sustain shared prosperity and wider-wellbeing**

Future of Work









The RSA's Future of Work programme continues to advocate for a world where everyone, irrespective of background or starting point, enjoys good work.

Perhaps unsurprisingly, this year that has meant engaging with a world increasingly shaped by the Covid-19 pandemic.

Our work seeks to ensure:

RSA-backed innovations are adopted in, and shape, labour and technology markets all over the world.

RSA policy ideas and projects improve working lives.

RSA research and analyses inform people, policy, practice.

RSA processes and approaches change workplace practices (including management and culture).

During 2020-21 we realised impact through:

Raising awareness

In June 2020, we published our new social contract for good work – a rigorous analysis of the change needed at all levels of the good work system if we are to truly 'build back better'. Meanwhile, in October 2020, we published a risk register that explored which workers were vulnerable to Covid-19 and automation risks. This research was covered by The Telegraph and across BBC radio, with an estimated reach of 2 million, as well as being cited by key organisations, such as the Organisation for Economic Co-operation and Development (OECD) and parliamentary select committees. Our economic security work was presented on the UN's YouTube channel and we joined a UN expert group on economic security.

Building capability and demonstrating good work in action

Our partnership efforts have also focused on developing new ideas and testing innovations that can help deal with challenges posed by Covid-19. On the research side, this includes work on adult learning with Barclays LifeSkills and on key workers' economic security with Standard Life Foundation and Trust for London (see case study). On the innovation side, this includes a major project with the Mastercard Center for Inclusive Growth in which we are supporting Bayes Impact to develop a new digital careers coaching platform in both the UK and France. We are also working with the Autodesk Foundation to nurture a community of good work impact entrepreneurs across Europe and Sub-Saharan Africa.

Throughout the crisis, we have continually suggested new solutions for emerging policy concerns, from the furlough scheme, support for those whose worker status is not an employee such as the self-employed, to self-isolation sick pay. In total, we have featured in 170 distinct pieces of coverage - including two Observer front pages – amounting to an estimated **13m impressions** and over **17,000 social shares.** Meanwhile, around 50 local authorities, Local Enterprise Partnerships (LEPs) and devolved governments have used our furlough scheme analysis to help develop their local economic responses to the pandemic.

THE ECONOMIC SECURITY OBSERVATORY

In the summer of 2020, the RSA launched the Economic Security Observatory (ESO), a research project, in partnership with Trust for London and Standard Life Foundation, that will examine why work no longer guarantees security in the modern economy.

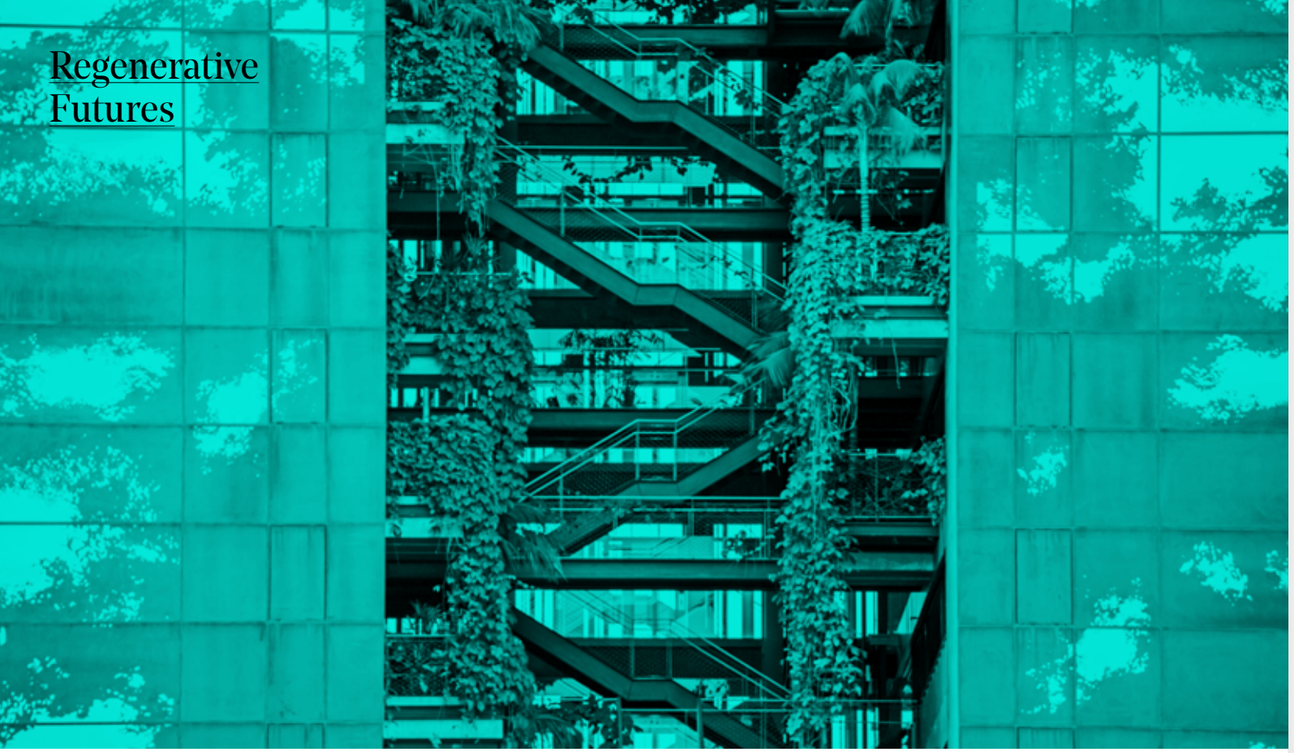
During the pandemic, the ESO has focused primarily on the economic security of Britain's key workers, making a number of policy recommendations to help build a better future for the workers who kept Britain going during lockdown. In London, our work was welcomed by the Mayor, Sadiq Khan, with our policy of expanding the definition of key worker (which can affect housing entitlements) to include supermarket or social care workers feeding into a Greater London Authority (GLA) consultation.

Meanwhile, our August recommendation that social care workers should receive a £500 payment was taken-up by the Scottish and Welsh governments, in November 2020 and March 2021 respectively. Our distinctive proposition around the 'security trap', has informed a major programme of work in the UN on economic security post-Covid. Some of this wider work has also been featured in the FT as well as Bloomberg with the latter being syndicated in India, Canada and the US. We also ran a series of public events in order to continue the discussion about why work does not guarantee economic security in this day and age. These included important international voices in this space like Mayor Michael Tubbs - founder and chair of Mayors for a Guaranteed Income, Natalie Foster - co-chair of the Economic Security Project in the US, Molly Kinder of the Brookings Institution and Jon Cruddas - MP, talking about the dignity of labour.



Regenerative Futures





Regenerative Futures

In 2020, the RSA board approved a new programme, **Regenerative Futures,** with the ambitious vision for a world where people and communities harness their potential to be sources of health and regeneration for all life on earth.

We are in a time of significant change. Our current systems are concentrating on power and benefit, whilst distributing damage and exploitation. This is leading to intractable problems: climate change, social inequality, ill health, and biodiversity and habitat loss.

The programme's mission and commitment is to build a movement of change that brings people and ideas together to show how the radical shift towards a regenerative future could look, act and feel.

Building awareness

Through developing ongoing collaborations and establishing new relationships we have built awareness of the programme, and the mission and goals of regenerative design amongst RSA networks. This has included working closely with **RSA Oceania**, the **RSA Fellows' Sustainability Network**, and with external partners including the Ellen MacArthur Foundation circular design leaders network and Zero Waste Scotland. This will continue with a full programme launch in 2021-22.

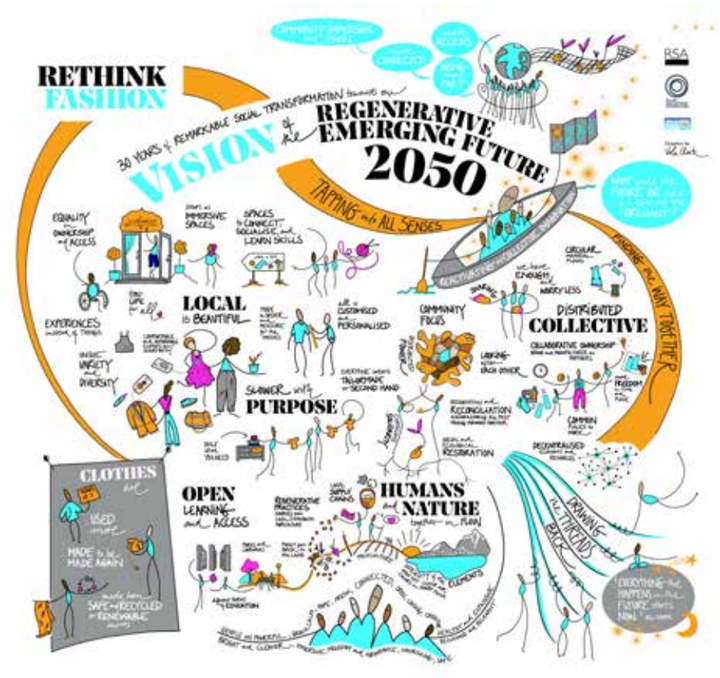
Our projects have brought key concepts within regenerative thinking to our audiences: we inspired a global audience of policy makers and practitioners to explore and embed long-term thinking in their work through the **Long Time Sessions,** our partnership with the Long Time Project and the Serpentine Gallery; we enabled young designers to bring long-term thinking and biomimicry to their work through two **Student Design Awards** briefs connected to the programme; the **RSA President's Lecture** saw Kate Raworth introduce Doughnut Economics and explain the shift in economic thinking needed to secure a more regenerative future; and **RSA Oceania** and **the RSA Fellows' Sustainability Network** collaborated on an international dialogue on the post-Covid recovery, including exploration of indigenous finance, future generations policy and civic participation in democracy.

Building capability and demonstrating regenerative thinking in action

Our **Make Fashion Circular** and **Leeds Fashion Futures projects,** have helped their participants to take practical action towards a regenerative future for fashion.

Our **Rethink Fashion** learning journey formed part of our partnership with the Ellen MacArthur Foundation on their **Make Fashion Circular** initiative supported by the players of the People's Postcode Lottery. It supports creative pioneers working to accelerate the transition to a circular economy in fashion, in order to increase their individual and collective impact. Participants developed their understanding on circular and regenerative design, learned and implemented new tools and practices, and developed individual and collective strategies for change.

Through **Leeds Fashion Futures,** our project in partnership with Zero Waste Leeds and supported by JJ Charitable Trust, we convened citizens, local business, civil society groups and policy makers to explore what would be needed for Leeds to become a leader in regenerative fashion, and to take practical steps towards that vision. The project supported local working groups to co-design interventions, including a city-wide sustainable fashion map, an interactive heritage trail and a week of public activities and engagement. These have engaged thousands of Leodensians and are contributing to a growing movement in the city. Forthcoming publications will support other communities to take action in their own localities.



Regenerative Futures case study



RETHINK FASHION

We need to design a circular future for our clothing.

"The best thing has been having the opportunity to work with amazing people where you're not competing, but instead you're working towards a shared goal in a way which is genuinely benefiting us all. There's so much more to come from this group".

Besma Whayeb, founder of Ethical Influencers and Rethink Fashion learning journey participant

In 2020-21, over six months, **Rethink Fashion** brought together a cohort of 12 creative pioneers from across the fashion system – marketing to manufacturing to material development – to explore the action needed to accelerate the transition to a circular and regenerative future for fashion. This formed part of our multi-year collaboration with the Ellen MacArthur Foundation on their **Make Fashion Circular** initiative, supported by the players of the People's Postcode Lottery.

Rethink Fashion provided a unique opportunity for the cohort to share their expertise, insights and challenges and work together to increase their individual and collective impact towards systemic change. The experience was delivered through a series of workshops, masterclasses and coaching sessions, with input from experts in the fashion industry, circular design and systems thinking, drawn from across RSA networks. It finished with a showcase event, which shared insights with RSA and Ellen MacArthur Foundation networks, and was attended by over 300 organisations and practitioners.

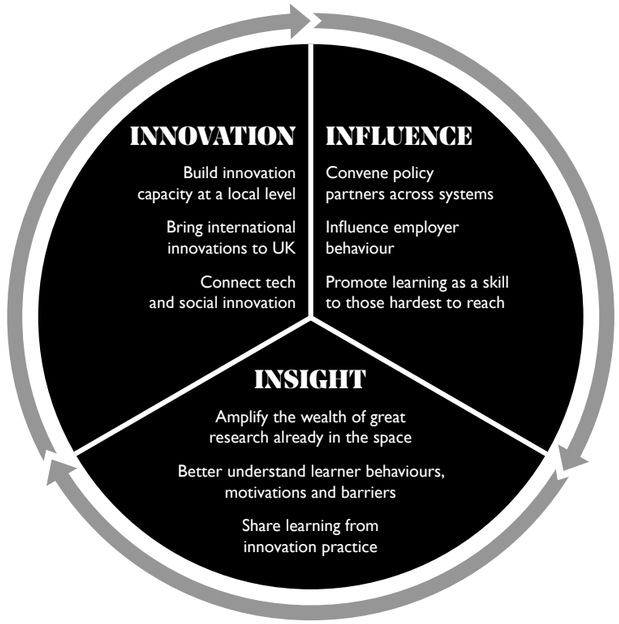
Participants told us that the experience enabled them to step back from their day-to-day work, focus on developing their strategic priorities, and gain greater clarity on the roles they play in bringing about change in the industry – not only as individual organisations but collectively as a field of practitioners working on shared challenges. Participants have gone on to collaborate on new initiatives with one another, develop new funding and business proposals, and receive award nominations for their work.

During 2020-21 we began to further develop and extend our programme portfolio.

This focused on three areas for exploration, **Learning Society, Fair Education** and **People and Place.** To date, the trustee board has now approved two further programmes; the **Learning Society** and **Fair Education.**

Learning Society

Born out of our Cities of Learning Project (see case study) this programme recognises that at a time of high unemployment, radically changing patterns of work, rising inequality and declining mental health, the idea that one's learning is completed in adolescence is dangerously outdated. The **Learning Society** aims to support the development of learning ecosystems that support people who have not thrived in formal education, to access learning throughout life and beyond traditional education systems. We are driven by the idea that learning is a fundamental skill.



The programme seeks to adopt the following impact goals:

Build partnerships and demonstrate success to support access to digital learning and influence employers to support alternative assessment models.

We intend to work with our partners Badge Nation and Navigatr to scale the use of Cities of Learning standardised badges.

Build capacity for place-based learning innovation and scale use of Cities of Learning digital badging across the UK.

In 2021-22 we aim to bring **six new places** into the programme, already working in Southampton, Cambridgeshire and Waltham Forest.

Build a community of practice to support and share knowledge on place-based learning. This work will be integrated and part of our **Learning Society Programme.**

CITIES OF LEARNING

Cities of Learning aims "to establish a new model for cities and regions to design and deliver inclusive lifelong learning, tailored to the needs of local people and economies".

CITIES OF LEARNING

Over the last two years we have been working with Future Creators in Brighton, Real Ideas in Plymouth and technical partners Navigatr to co-design and pilot the model. The programme was supported by Ufi and City & Guilds Foundation.

We worked with local leaders to identify skill needs and develop a theory of change.

We supported our partners to map their local learning ecosystem whilst engaging with learning providers networks and developing a set of standards for digital badges. Badges recognise non-formal and informal learning wherever it happens and connects learning experiences to opportunities.

In spring 2020, **Cities of Learning** was launched. However, as the nation went into lockdown, the programme pivoted from connecting face-to-face learning opportunities to supporting remote learning and recognising achievement in adversity. This was a successful strategy.

The programme was independently evaluated by the Learning and Work Institute. Their report states **"Cities of Learning and digital badges are clearly in a strong position to respond directly to the needs of young people as well as to align with the government support programme during the Coronavirus pandemic and economic crisis".**

Impact 2020–21:

As at 31 March 2021, **Cities of Learning issued badges to 1,917 learners** for activities ranging from audio production to Covid response campaigns to volunteer charity work with Barnardo's. The teams in participating locations worked with **62 different organisations to issue 4,707 badges.** And 49 percent of badge earners completed more than one badge.

Qualitative feedback suggests that young people value their badges as they help articulate skills which aren't captured by traditional qualifications, in a way that is meaningful to employers:

"Rather than just saying, 'I did this thing,' you can say, 'Here are the things I've got which prove I can do these things", (Learner, Plymouth).

Teams in Plymouth and Brighton have both embraced the model and will continue to badge, map and connect learning experiences in their cities and regions.

Two new start-ups have grown out of the **Cities of Learning** pilot:

Badge Nation, led by Real Ideas and Future Creators, have developed an innovative and affordable model to support organisations and communities to design and issue badges mapped against the Cities of Learning Badging Standards.

Navigatr, our technical partner in the pilots, continue to develop a platform to organise badges by location, curate learning pathways and give smart recommendations to learners for the next step in their learning journey.

"Cities of Learning has unleased a well of confidence and opened my mind to new experiences".

Ben Cole, apprentice at Real Ideas Organisation, Plymouth

Fair Education

Education promises to be the great social leveller, helping individuals and communities to overcome disadvantage and to flourish. All too often, however, the design and operation of education systems excludes those who face disadvantage, exacerbating the challenges they face. We believe that creating a fairer and more effective system depends not only on research into 'what works', but on a more inclusive sense of purpose in education.

We believe the purpose of education is threefold: to develop individual capability and agency and to strengthen communities. Over, or under-emphasising one or more of these elements in education systems leads to inequities experienced through: access/admissions, curriculum, pedagogy, assessment, system planning and accountability frameworks.

As we have been exploring in a series of online public events, **Rethinking Education**, the post-Covid context presents new opportunities to build consensus and make significant change in these areas.

We will work with RSA Fellows and RSA schools to popularise the idea that purposeful education systems are more effective at helping individuals and communities to flourish, understand and design-out systemic obstacles to providing every child with a fair education. Initially, our focus builds on our successful portfolio of projects, researching and developing approaches to reducing school exclusions, and on the legacy of the RSA Academies to create a new RSA Education Network of schools and Fellows in education.

Our impact goals for the forthcoming year are:

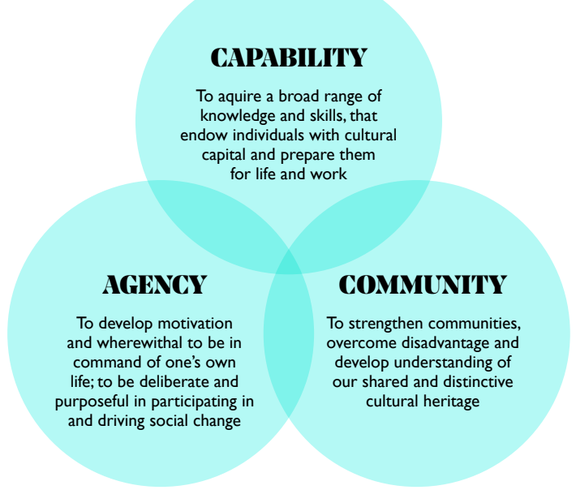
To raise awareness of how RSA narratives around rebalancing the three purposes of education are helping shift policymaker and practitioner discourse.

To demonstrate how the **Living Change Approach** is supporting local systems to design out educational inequalities.

To show how innovations co-designed by the RSA and others are helping to rebalance the system and reduce educational inequities.



The purpose of education:



2020-21 has been a truly transformational year for the public events programme. As the world locked down and the Great Room fell silent, our digital platform took centre-stage.



The **Bridges to the Future** online talks series featured leading public thinkers, academic, industry and policy experts helping make sense of the rapidly evolving global public health crisis, social and economic upheaval and turbulent politics.

RSA research insights set the agenda for topical events tackling emerging challenges in the world of work, education, health and social care.

The **Living Change** campaign focused on the people lighting a path to a brighter future beyond the pandemic, involving global innovators and changemakers working on complex social challenges from economic inequality to racial injustice to ecosystem repair.

Online access made new collaborations possible, including the hosting of a Global Table on citizen engagement in climate policymaking at the Digital Global Solutions Summit, and a special RSA Fellowship celebration of the life of Sir Ken Robinson.

Highlights from the annual calendar drew audiences in record numbers, from economist Kate Raworth's President's Lecture, digitally introduced by HRH the Princess Royal, to an online **Albert Medal** award ceremony honouring vaccine creator Professor Sarah Gilbert.

Across the digital programme we witnessed a marked increase in levels of audience participation, registration and live viewer numbers, with online attendees regularly trebling the capacity of the physical auditorium.

New **RSA Shorts** and **RSA Minimates** films in our Webby-Award-winning animations series tackled the most talked-about issues of the day, from global warming to the attention economy, to the increasingly pervasive power and influence of big tech.

Given all the benefits of online events, from greater speaker diversity and global accessibility to increased audience reach and engagement, digital will remain a key component of future public programming.

However, we are looking forward to the return to the Great Room stage, and the chance for audiences to meet, connect, exchange ideas and build relationships in person once again.

Hybrid production formats, that blend the physical and the digital, are an exciting new prospect, allowing us to maintain universal access to the programme, while creating more inclusive, more participatory experiences, where both in-person and remote audiences can come together to deliberate, innovate and celebrate.



The Albert Medal honouring vaccine creator Professor Sarah Gilbert

Podcast

Our hugely popular **Bridges to the Future** podcast launched at the start of the Covid-19 pandemic offering a space to consider how we should build bridges to a better future. We've tackled big issues from the West's relationship with China, to finding a way to fix the UK's broken care system. Speaking directly to the UK's social changemakers, the podcast has already achieved an impressive **403,000 downloads** as well as **34,000 subscribers.**

403,000+
Podcast downloads

34,000+
Podcast subscribers



30,000+
RSA Fellows reached per issue

Media

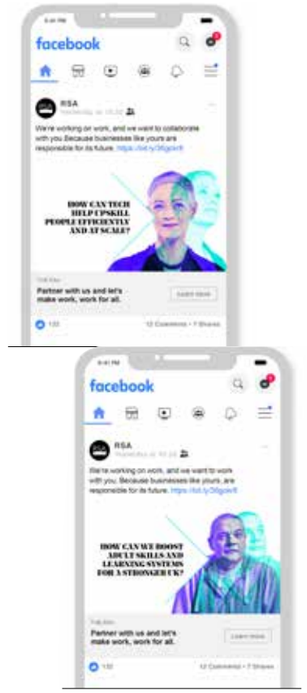
Over the last year we secured 461 pieces of proactive media coverage for RSA programmatic work, against a target of 420, with an estimated reach of **26 million people** (up from 18 million in 2019-20). This has been led by a shift towards more original data journalism and policy briefings.

Key highlights included: **Our Economic Security Observatory** featured on the front page of **The Observer**, as well as **BBC News, Sky News, Times Radio. The London report** featured in **The Guardian** and was welcomed by **London Mayor Sadiq Khan.** The RSA **Albert Medal** was covered widely with interviews with Professor Gilbert appearing on **BBC Radio 4's PM programme, Channel 5 News, Sky News** and various regional media.

RSA Journal

The Journal places RSA content in the context of wider thinking and themes, distributed to all Fellows. It is uploaded to the academic search engine JSTOR for reference by academics. With a quarterly output, its focus is on providing thought provoking articles that ask difficult questions, share new evidence and outline solutions.

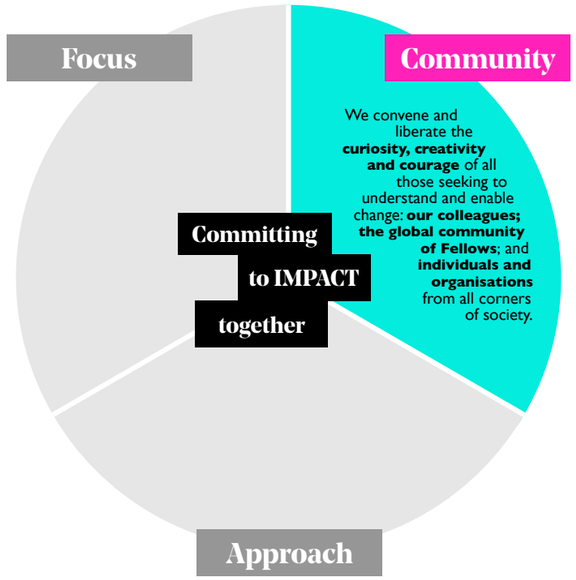
There is also content on RSA Global, Catalyst, Fellows and Fellow-led projects, news and project updates. Over the last two years a number of priorities have shaped content. We are, for example, far clearer about the need to commission a range of authors, from a range of backgrounds, identities and nations. While we do not always secure the writers we ask, we continue to prioritise this.



730,000+
RSA Events
YouTube subscribers

40,000+
Followers on RSA Events
Twitter, Facebook and
Instagram accounts

We seek to convene and liberate the curiosity, creativity and courage of all those seeking to understand and enable change; our colleagues; the global community of Fellows; and individuals and organisations from all corners of society.



Our Community comprises RSA colleagues, our Fellows and our wider partners. Our Community is core part of what makes:

"My dialogues with the RSA Fellows across the world have accelerated our collective ability to solve critical global challenges".

RSA Fellow, March 2021

Our Fellows

Our Fellows are a core part of our community, their involvement in our work is crucial. Despite the challenging year, our Global Fellowship continued to connect and support each other to work towards resolving the challenges of our time.

The Fellowship continued to grow. We recruited 2,770 new Fellows, and the Fellowship total increased to 30,439, representing net growth of just under 219 Fellows. And 23 percent of new recruits were from outside the UK and Ireland and 18 percent represented ethnic minorities.

Fellowship insight

This year, the organisation significantly invested in research reaching 10,500 Fellows; existing, previous and prospective, to understand Fellowship need, in order to:

- Better tailor communications
- Improve Fellowship experience
- Refine methods of measuring engagement and demonstrating impact

We enriched the welcome for 314 new Fellows to the RSA community with a series of nine global virtual events connecting them with others, and with RSA vision and purpose.

"The RSA offers interesting, thought provoking communications in the form of events and projects, addresses global challenges and encourages participation".

RSA Fellow, March 2021

Sharing ideas and encouraging collaboration

As a result of the Covid-19 pandemic, we moved from majority local in-person events to entirely online. Running 144 Fellowship events, where 3,879 attendees enjoyed local meet-ups and sessions on programme area topics such as inclusive employment and Doughnut Economics. The benefit of this is now informing our future thinking with regard to a future hybrid approach to engagement.

From our Fellowship feedback we know that RSA Fellows value the content and opportunity to learn from others. Meeting this need is central to our offer. In 2020 80 percent reported that they had learned about new and exciting ideas, with 63 percent feeling part of a community working towards making society better.

Within the **Living Change** campaign, three **Making Change** events featured Fellows' regenerative, equitable and locally based projects across the UK. **RSA Global Engage** featured four Fellow projects, including three Catalyst winners exchanging ideas with more than 50 participants from over 14 countries.

Over 30 Fellow-led networks have continued to meet this year, connecting Fellows in global thematic networks and local groups to achieve social impact.

RSA Comment

thersa.org/comment

RSA Comment provides Fellows an online space to write about a range of themes that can respond rapidly to emerging issues; 120 articles were content-edited and published in 2020-21.

New Fellowship council committed to impact

Programme councillors have joined Fellowship council sitting alongside area councillors, liaising across the organisation to advise and enable greater connection with our Fellows.

Our goal is to develop a Fellowship engagement strategy to establish better connections with Fellows within **RSA Programme** work, and with each other, enabling Fellows to achieve more through collaboration and have greater impact. To better understand Fellows needs and ensure we design user-centric services, in 2020 we convened and hosted a Digital Summit of over 20 highly engaged expert Fellows, led by the digital team and the Fellowship council. This thinking is directly informs our future service development.

As a result of Covid-19, more than ever Fellows looked to the RSA for support for their charitable work in 2020-21. In response, we transformed our approach to Catalyst grants.



In April 2020, we launched a fast-tracked Catalyst round for global projects directly responding to the impact of Covid-19. We also signed the Covid-19 Funders' statement, taking a stand with the sector to support grant recipients in rapidly changing circumstances. **20 projects were supported with £2k Seed Awards, from an unprecedented 114 applications.**

One such project was the **Doorstep Collective,** led by Rich Mason FRSA in London, which within four weeks of starting, had organised a network of **100 riders to deliver 150 food parcels (one tonne of food) five days a week to vulnerable and self-isolating households.**

In the November 2020 round, we shifted our criteria to reflect the RSA's new programmatic focuses (**Future of Work** and **Regenerative Futures**) and funded **10 projects, 3 Scaling and 7 Seed Awards, from 196 applications.**

The Scaling Awards in particular go to innovations from Fellows aligned with our **Future of Work** and **Regenerative Futures** programmes, from growing the upcycled product economy to helping people change careers more easily during a time of occupational displacement.

In the coming year, our focus is to make **Catalyst** scalable. We aim to update processes and infrastructure to cope with the high volume of applications, improve clarity of criteria for applicants and, enhance support for grantees and secure matched funding.

In April 2020 20 projects were supported with £2k Seed Awards, from an unprecedented 114 applications

In November 2020 10 projects were funded, 3 Scaling and 7 Seed Awards, from 196 applications

BRIDGES TO THE FUTURE

In March 2020 the Covid-19 pandemic forced economies across the globe into lockdown. The RSA responded to the crisis, publishing our emergent thoughts on what was needed to respond at scale, build bridges to the future.

Bridges to the Future laid out five pathways:

- A future that protects people and planet
- Fair education
- Stronger economic support for individuals, workers and families
- Invest in communities at scale
- People led health, care and local services



This formed the start point of our response to the Covid-19 pandemic, the opportunity to realise and shape change in the form of an organisational wide response to the crisis. This was underpinned by an externally facing content-led campaign under the umbrella proposition, **Bridges to the Future,** which incorporated a five week plan of aligned activity, culminating in a week of focused, collaborative conversations with over 500 participants, to explore emerging ideas and potential ways forward to the future.

Focused on original content, thought leadership, a compelling programme of public events as well as community conversations to inspire new thinking and provide practical tools, including the RSA's **Future Change Framework** to support communities, organisations and individuals to support and lead recovery. Through **Bridges to the Future,** we convened over **20 participatory events** with over **100,000 views,** produced over **40 original published pieces** and broadcast **12 themed podcasts** (average audience 3,000) featuring leading thinkers and changemakers. We also developed a series of invite only events to engage potential and existing funders around our thematic areas of change.

Our activity connected new audiences; with **68 pieces of media coverage** and **over 15,000 shares on social media.** It was global and diverse in outlook; over 30 percent of event speakers were non-UK, 43 percent female and 43 percent BAME and one in six attendees came from outside the UK. It also had a material benefit, 25 C-suite and CEO's attended invite only events, leading to over **£150k of additional funding** within the lifetime of the programme.

The aligned marketing campaign represented a new integrated way of working. Bringing together activity from across the RSA to pilot a fully interdisciplinary approach to marketing and communications, with a singular identity and call to action. The campaign was supported by a paid social media campaign that achieved over **1.7m impressions, 34,000 engagements** and **2,762 new Fellowship leads** to grow and strengthen our community.

Our work is increasingly global with an ambition for programmes to operate beyond the UK and Ireland and a growing offer of virtual events in multiple time zones.

Through our two affiliates organisations **RSA US** and **RSA Oceania,** registered as separate entities in their respective jurisdictions, we are actively seeking to grow our global communities further in the coming years.

RSA | US

The RSA US represents a distinctive presence on American soil, engaging a distributed network of Fellows focused on local and regional action as a nonpartisan source of progressive, responsible and effective social and cultural improvement.

We are committed to using our convening power to support opportunities for change and systemic action in racial equity, economic inclusion and security, regenerative design, citizen power and influence, and are guided by our Fellowship to wrestle with the issues most pressing for Americans.

Fellowship

Our Fellowship has grown to over 1,100 Fellows. A 32 percent increase year-on-year. Through our regional ambassador network, we support Fellowship hubs in key US cities including: New York City, Boston, San Francisco, Los Angeles, Pittsburgh and Washington, DC.

Events

The RSA US has hosted and supported 25 Fellowship-driven salons and special events over the last year with an average registration of 77 participants per event. We have covered topics that range from discussions of digital consciousness and tech ethics to gender equity, containing violent extremism, futures and foresight practice, and design education.

Mentorship

To date, over 50 US Fellows have participated in our mentorship programme. It continues to be a bright spot for Fellows and is designed to facilitate one-on-one peer support and connection.

"This was the biggest highlight of my experience as a Fellow of the RSA so far. The calibre of humans in our network is mind-blowing. And it's just a microcosm of the RSA. Incredible!"

RSA US Fellow

Projects and programmes

Future of Work programme development: We continue to build out our focus on the RSA's Future of Work programme (see page 16). This includes: recruiting and engaging Fellows aligned with this program through our **Good Work Guild**, cultivating our programmatic income and, strengthening our capacity for impact and influence. In the past year, we brought in $360k to support **Future of Work** initiatives.

New Jersey Future of Work Accelerator

The New Jersey Future of Work Accelerator launched in May 2021. This program is a collaboration between the RSA US, the New Jersey Office of Innovation and The Workers Lab.

"I'm proud to announce the inaugural New Jersey Future of Work Accelerator... The work to rebuild our communities impacted by Covid-19 continues and advancing economic security initiatives will be a key part of this effort. I want to thank our key partners, RSA's Future of Work programme and The Workers Lab, for working together with the New Jersey Office of Innovation on this endeavour".

New Jersey Governor, Phil Murph

The Decolonizing Design Coalition, incubated by RSA US, consists of volunteer creatives and designers that are committed to sourcing, synthesising, and amplifying a set of global principles for decolonising the ethos of the design field and beyond.

"I want to see tangible examples of how we can de-center harmful ideologies and center the work of BIPOC individuals in their communities. I am also interested in how we are actualizing the breakdown of nation-state boundaries, working fluidly, and modelling what cross-cultural collaboration looks like".

Coalition participant

More information:
thersa.org/united-states

Stay connected with us:
@theRSA_US

RSA | Oceania

RSA Oceania supports Fellows in Australasia, Melanesia, Micronesia and Polynesia (excluding Hawaii). Aside from the UK and US, Oceania has the largest concentration of Fellows globally, with more than 460 Fellows in the region.

Key achievements for the 2020-21 period include:

From Crisis to Sustainability

Aligned to the **RSA's Regenerative Future Programme** (see page 19), in partnership with the **RSA Fellows' Sustainability Network**, we hosted a six-part online event series titled **From Crisis to Sustainability**. Aimed at convening a global dialogue between RSA Fellows, the series explored how we can shape a more resilient, socially just and sustainable future. A follow-up series looking at the need for long-term thinking will take place in the second half of 2021.

Mentor alliance

Together with our team based in Scotland, we launched a cross-regional pilot mentorship programme for Fellows located in Oceania and Scotland. The programme aims to build connections within global Fellowship and support Fellows in their own personal or professional development.

Regenerative Futures

Over the past year, we have worked with the **Regenerative Futures** team to build opportunities for engagement within Oceania and across the globe. This has led to an exciting range of partner-led initiatives delivered in collaboration with the **RSA Fellows' Sustainability Network,** the Ellen MacArthur Foundation and the Queensland Strategic Futures Community. Our 2021-22 focus is to mobilise communities of change around opportunities related to the application of indigenous wisdom, human centred economies and climate justice and to create pathways for Fellows, so they can work with us to build a regenerative future.

ELLEN MACARTHUR FOUNDATION

Our partners are a vital part of the community; their strategic and financial support is crucial to the RSA's ability to make a difference.

A VERY SPECIAL THANKS

The RSA would like to extend very special thanks to the following partners for their generous support in what has been a very challenging year. It is because of this support that we can continue our work.

Those named below made contributions of £5k or more in the financial year 2020-21.

Trusts, foundations and grant-making

A New Direction
Autodesk Foundation
Centre for Ageing Better
Centre for Progressive Policy
Esmée Fairbairn Foundation
Four Acre Trust
Foyle Foundation
Friends Provident Foundation
Harbour Foundation
Impact on Urban Health
Luminate
Mastercard Center for Inclusive Growth
Mastercard Impact Fund
Oak Foundation
Paul Hamlyn Foundation
Pears Foundation
People's Postcode Lottery
Standard Life Foundation
The Comino Foundation
The Health Foundation
The Innovation in Politics Institute
The JJ Charitable Trust
The Marketing Trust
The National Lottery Community Fund
The National Lottery Heritage Fund
The Wolfson Foundation
Trust for London
UFi VocTech Trust

Corporate supporters

Accenture
Barclays LifeSkills
BofA Securities
BT Group plc
Four Communications Group
Koninklijke Philips N.V.
Natracare
NCR Corporation
Octopus Capital Limited
Openreach
Royal Mail Group Ltd
Teneo Strategy Limited
The Sage Group plc
Twitter
Vitality Corporate Services Limited

Statutory and other organisations

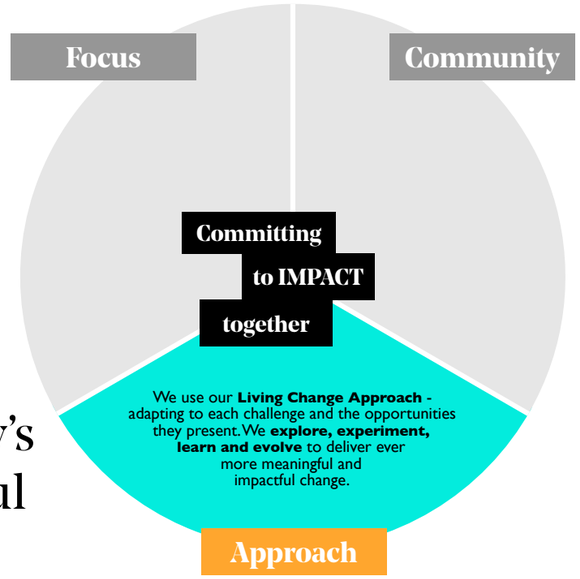
Arts Connect
Arts Council England
Arts Work
British Council
Chartered Institute for Marketing
Chartered Institute of Personnel and Development
City & Guilds
Curious Minds
Department for Culture, Media and Sport
Festival Bridge
Greater London Authority
Independent Press Standards Organisation
Manchester Metropolitan University
Mighty Creatives
Ministry of Housing, Communities, and Local Government
Ministry of Justice
NHS Lothian
Royal Opera House Bridge
Southampton City Council
The Core Cities Group
Tower Hamlets London Borough Council
West London Alliance

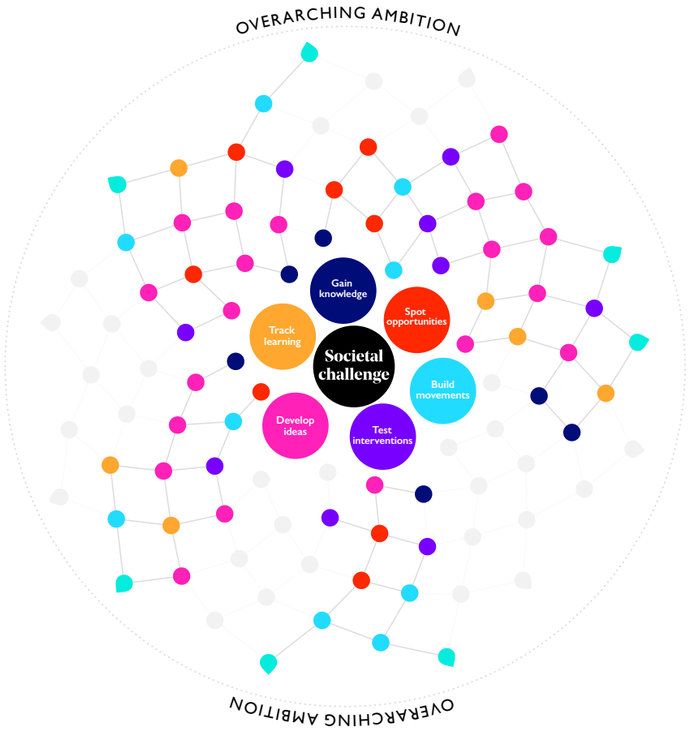
Individual supporters and legacies

An anonymous Fellow grantor
Mr John Makepeace OBE

7 Our Living Change Approach

Last year, the RSA shared our Living Change Approach with the world. Living Change brings together everything we have learned over the years through both our own and our community's change work, about impactful ways to respond to complex social challenges.





THINK LIKE A SYSTEM ACT LIKE AN ENTREPRENEUR

The approach brings together a model, a mindset and number of theoretical foundations challenging us to **think like a system** as we strive to understand define challenges we are experiencing (the 'what is'), and to **act like an entrepreneur** as we innovate and experiment with interventions that shape inclusive, equitable and regenerative futures (the 'what if').

The RSA applies **Living Change** across all our impact programmes and more importantly, we believe that the approach can support anyone who is passionate about making social change happen in the world: the professional, the citizen, the activist, the civil servant, the leader, the employee and the student. Having shared the approach with our global community, here is some of the impact we have seen over the past year.

6,790 social shares, 4.28m views and 42 pieces of coverage with a further 1.7m impressions

Learning about Living Change

Over the past year, we have used the **Living Change Approach** to develop capability building services for organisations and changemakers.

In January to April 2020, led by Rebecca Ford, head of collaboration and learning design at the RSA, we delivered a three month **Living Change** learning journey pilot, which brought together a cohort of RSA Fellows, partners and staff to deepen our **Living Change** capabilities through applying the approach to the complex challenges in our own work.

Evaluating the data demonstrates that the pilot was successful in delivering a learning experience that enabled participants to understand and gain applied experience of the change model, mindsets and underpinning methods through a combination of action-led, self-led, peer-led and expert-led learning.

We're looking forward to more opportunities for capability building around **Living Change** in the coming months. This will feature in our impact programmes, a wider learning journey offer and new consultancy and training services. Our 2021-22 focus is to mobilise communities of change around opportunities related to the application of indigenous wisdom, human centred economies and climate justice and to create pathways for Fellows, so they can work with us to build a regenerative future.

Living Change campaign

In March/April 2021, an integrated **Living Change** marketing campaign took place across all RSA touchpoints. From social media activity, blogs and downloadable resources, to public events, publications and workshops, the campaign was supported by a unifying call to action to **Make Change Happen**. The campaign proved highly successful. The announcement that Professor Sarah Gilbert, the leader of the University of Oxford and AstraZeneca vaccine team, would be the recipient of the **2021 RSA Albert Medal**, drove significant initial awareness and engagement with **6,790 social shares, 4.28m views and 42 pieces of coverage**. Through owned channels, the campaign generated a further **1.7m impressions**, while 25 percent of those who saw our **Living Change Approach** content, went on to visit the website, generating a **355 percent uplift in engagement** with the RSA's approach. The campaign delivered a clear return on investment, through new impact partnership opportunities and led to consultancy work with NHS National Services Scotland running Future Change Workshops and a workshop with the MidAmerica Region of the Unitarian

A 355 percent uplift in engagement with the RSA's Living Change Approach

Our learning group


Adanna


Chris


Clare


Emma


Hannah


James


Matthew


Rebecca


Samanthi


Sope

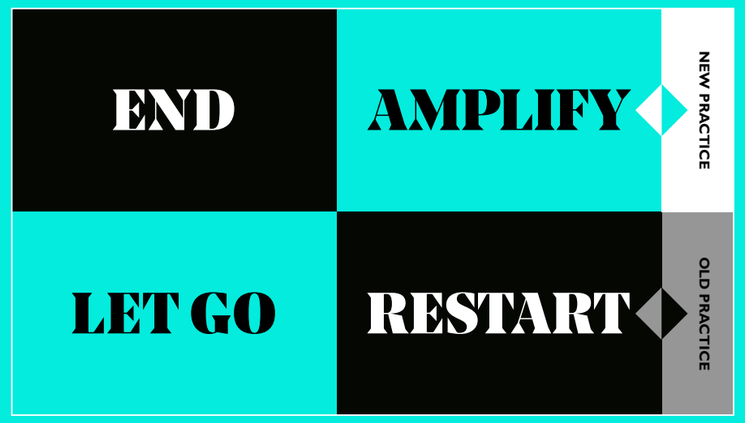
MAKE CHANGE HAPPEN
#RSACHANGE

Living Change Approach case study

FUTURE CHANGE FRAMEWORK

In April 2020, as the realisation of a global pandemic started to weigh on society, Ian Burbidge, head of innovation and change at the RSA created the Future Change Framework.

A method that can be applied as part of the **Living Change Approach**, during times of crisis or change, to spot short-term opportunities for action, whilst shaping long-term opportunities for a better future.



Using the framework helps organisations and communities to think through activities and services that need to be: **stopped** because they were temporary responses to the crisis, **amplified** because they are promising innovations, **restarted** because they have been put on hold, and **let go** of altogether because they are now outdated.

Our **How to create real, lasting change after Covid-19** blog gained significant traction on social media, we turned the framework into a free downloadable toolkit for all to access as originally as part of the **Bridges to the Future** campaign and then used as part of the **Living Change** campaign. The framework has since been downloaded by 1,000+ global changemakers to use with their own teams and organisations.

As a result of the interest, we developed a series of introductory masterclasses and 'train the trainer workshops' hosted by RSA teams to support senior leadership and their staff to reflect on, and realise, lasting change. Organisations we have worked with include the UK Ministry of Justice and NHS Lothian.

In May 2020, the RSA published **Crises and Change**, an interactive terrain of inspirational and reflective themes, stories and imaginings compiled through conversations and workshops with communities and changemakers around the UK, facilitated by the **Future Change Framework**. This work was partly funded by the National Lottery Community Fund. We asked about the conditions that existed before the pandemic, how communities are responding in the present and what their aspirations might be for the future.

"Partnership with the RSA has helped us work out where the barriers exist across our organisation and the entire health and social care system so we can begin to unlock them together and be future-fit".

Colin Briggs, director of Strategic Planning at NHS Lothian

The 2020-21 Student Design Awards had a successful year, despite the difficulties that students faced learning remotely during the pandemic.



1,004 Students entered

25 Different countries

110 Universities

15 Winning projects

The awards received entries from **1,004 students** from **25 different countries** and **110 universities**. The competition had eight briefs that focused on current pressing social and environmental challenges, including how we might harness age friendly design to 'future-proof' homes as sustainable, safe and inclusive places to live and enjoy, and how we might encourage people and communities to think and act for the long term. There were **15 winning projects** and a further **11 received commendations**. The winning students received a share of the prize fund which can be put towards further developing their work or investing in their design practice and careers.

Wider reach

The competition included targeted university engagement and hosted workshops that support students to better understand the complex briefs and concepts, for example participatory design and systems design innovation. These workshops took place online, allowing students from around the globe to participate, and were to be used as a future resource for those unable to attend. Of the workshop attendees who proceeded to apply to the competition, 92 percent rated workshops as useful to their process.

Beyond our entrants, the competition briefs were used by educators across the globe to help students apply their skills to real-world complex problems. Also, 61 percent more students engaged with the briefs than submitted an entry. This can be due to schools hosting their own internal competitions or choosing to work with alternative deadlines.

Equitable and inclusive process

We continue to work to update and improve the methods, criteria and judging process of the competition to create a more equitable and inclusive process for applicants across the globe. This includes intentionally running open recruitment for judges from across the globe, from our wider **Student Design Awards** alumni and from our Fellowship community. In 2020, the team introduced a global needs-based bursary fund which covered the entry fee for applicants outside of the United Kingdom, who would otherwise have been unable to participate. Two of the winners this year were bursary recipients, showing the range of worldwide emerging design talent willing to participate when barriers are removed. We intend to renew the bursary next year.

Goals for the future

We held a successful design educators event joint hosted with RSA US. It is our aim to further collaborate with RSA US, RSA Oceania and RSA Scotland to develop regional design networks and host events to further engage Fellows.

We intend to further align the briefs for next year using the areas of expertise and impact programmes are developing within the RSA.

As we approach the SDA's 100-year anniversary, we are working to deepen alumni ties and networks to create a stronger Student Design Award community able to rally and support our work.

9 Environmental reporting

We at the RSA recognise the climate emergency and wider environmental issues, such as waste, pollution and biodiversity loss, as leading challenges of our time. We are working to establish a pathway to net zero CO2 emissions by 2025.

The new **Regenerative Futures** programme sets a strong direction for the organisation's approach to sustainability through its external work and its internal operations, committing to going beyond doing less harm into regenerating social and environmental health.

This past year, with the Covid-19 pandemic and RSA House being closed, our energy and resource use has decreased substantially. Working at home has proved to be highly successful for many staff and those who want to, will move to a flexible working pattern spending some days in the office and some days at home.

The energy usage each year fluctuates depending on the type and number of events taking place in the House. As there has been a substantial reduction in events due to Covid-19, the past year has seen our electricity consumption reduced by over half. All our energy is 'green'. Our public events have moved to digital virtual events will also impact on both travel and energy usage.

During our daily operations we continue to recycle as many products as possible. These include all paper and cardboard, glass, tins, appropriate food packing, and much more. Our Journal is printed on Carbon Balanced Paper which is from managed forestry and is fully carbon offset through accreditation by the World Land Trust. Where possible we manage our water consumption through various controlled water systems in our toilet facilities. Kitchens have spray taps to restrict the amount of water released at any one time and our main boilers are on rotation and only come on when hot water or heating is required.

A new lift central to the use of the building and serving all eight floors has successfully been installed. This lift is energy and eco-efficient. It will go into standby mode shutting off the ventilation and reducing the lighting levels when not in use for a period of time. It conforms to all accessibility requirements including height and tactile for call buttons and has an internal induction loop and audio sound announcement system.

The refurbishment of seven of our internal meeting rooms is now completed. Each room includes the installation of the Casambi lighting ecosystem. This enabled us to install these lights on our existing wiring which saved us time and money. The lights are controlled via a phone app from anywhere in the house as well as a programmable light switch in each room. They can be individually set to whatever level is preferred.

All carpets are from Interface, a flooring company with strong circular economy commitments, and are made using nylon recycled from fishing nets. You can find more information on interface.com.

CH&CO, our catering partner, are committed to sourcing the best ingredients and products, locally where possible for all of their food. They have set out to achieve zero food waste to landfill and maximise their recycling and minimise waste working alongside their venues. They have also stated that they want to be the greenest contract caterer by 2023 and achieve net zero by 2030.

Aegon, who manage our pension funds, have announced their commitment to achieving net zero carbon emissions across our default fund ranges by 2050 with an ambition to halve emissions by 2030.

This means that all our pension default funds will invest in a combination of investments that actively remove greenhouse gas emissions or reduce existing carbon emissions by 2050. Given over 95 percent of defined contribution scheme members are invested in their scheme by default, we believe it's right to focus our efforts on ensuring that default funds, which contain the majority of UK pension scheme members' savings, are invested sustainably.

All our energy is 'green'

We at the RSA regard the minimisation of our impact on the environment as one of our important management tasks. The RSA's environmental policy is available on our website (thersa.org/about-us/environmental-policy) and our practices described under 'sustainability' (thersa.org/hire-rsa-house/sustainability-and-accessibility). The key performance indicators for our environmental data for 2020-21 are set out below and these will be updated every year.

Utilities-units	**Electricity-kWh**	**Gas-kWh**	**Water-ltrs**	**Total energy**		**Water-ltrs**
	2020-21	**2020-21**	**2020-21**	**2020-21**	**2019-20**	**2019-20**
Energy	265,569	194,845	n/a	460,414	1,037,617	n/a
Water	n/a	n/a	382,000	n/a	n/a	2,828,000
% recycled energy	100	n/a	n/a	100	90	n/a
Energy in tonnes CO2	139	37	n/a	176	405	n/a
% inc/dec on 2019–20	-57%	-53%	-86%	-56%	n/a	n/a

Travel-units	**Car mileage (miles)**	**Mini cabs (miles)**	**Trains (miles)**	**Flights (miles)**	**Total air, road and train travel carbon emissions (tonnes CO2)**	
	2020-21	**2020-21**	**2020-21**	**2020-21**	**2020-21**	**2019-20**
Miles	1,005	228	23,598	4,414	29,245	280,242
Tonnes	0	0	1	1	2	45
% inc/dec on 2019–20	-95%	-94%	-85%	-96%	-90%	n/a

Waste	**Waste recycled (kgs)**		**White paper usage (boxes)**		**Glass recycling (ltrs)**	
	2020-21		**2020-21**	**2019-20**	**2020-21**	**2019-20**
Volume	2,000		3	62	750	13,000
% recycled	50%		100%	71%	100%	100%
% inc/dec on 2019–20	-90%		-96%	n/a	-94%	n/a

Building	**Total m² of building**	**Per m² (tonnes CO2 per m²)**	**Total building carbon emissions (tonnes CO2)**	
	2020-21	**2020-21**	**2020-21**	**2019-20**
Building carbon emissions	4,598	0.098	178	450
% inc/dec on 2019–20	0%	0%	-60%	n/a

Financial Health

Despite being a tough year due to the Covid-19 pandemic, the RSA's overall financial health remains strong with a closing reserve position of £32m including free reserves of £8.9m.

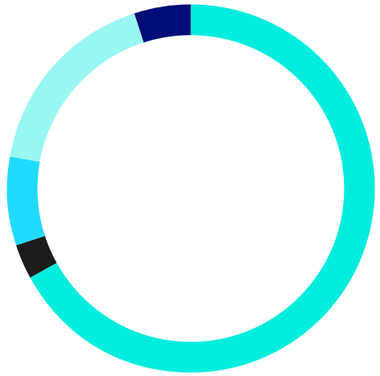
Overall income for the year, compared to the previous year, fell by 31 percent to £8.4m largely due to the impact of multiple lockdowns and trading restrictions on our hospitality business. We are grateful to have benefited from around £300k of Covid-19 related grants.

Costs fell by £3.2m to £10m due to lower hospitality related costs of sales, lower staff costs and an organisation wide effort to cut expenditure to mitigate the fall in income.

Consequently, net expenditure before unrealised gains on investments was £1.6m. (2019-20: £1.1m deficit). This comprises of net expenditure of £1.2m on general funds and £0.4m on designated and restricted funds in relation to legacy spend, fixed asset reserves and programme delivery.

This deficit has then been offset by unrealised gains on investments of £3.4m (2019-20: £0.5m loss) leading to an overall net increase in reserves of £1.8m (2019-20: net reduction of £1.6m). These unrealised gains arose from a significant recovery in market prices following the rapid fall in March 2020 when the Covid-19 crisis shook investment markets.

Income



67% Fellowship donations
3% Trading activities
8% Investment income
17% Programme of projects
5% Other income

The RSA's principal funding sources in 2020-21 are its **Fellows (67 percent)**, income generated from a wide range of stakeholders for our programme of research and impact projects (17 percent), investment income (8 percent) and trading activities (3 percent).

Overall income fell by £3.7m from £12.1m to £8.4m. The biggest fall was in trading activities (£2.8m). This includes the trading activities of RSA Adelphi Enterprises Limited (RSA Adelphi) and RSA Shipley Enterprises Limited (RSA Shipley). RSA Adelphi operates all the function spaces within John Adam Street, providing accommodation for business meetings, filming, social and corporate events, and weddings. The impact of restrictions due to Covid-19 meant that RSA Adelphi's trading was severely limited throughout the year and income fell from £3.1m to £0.1m.

The RSA's principal funding sources in 2020-21 were its Fellows (67 percent)

RSA Shipley offers consultancy services. Its income increased from £62k to £191k over the year due to a renewed focus in this area.

Where possible the profits of each trading company are given back to the RSA under gift aid. However, in 2020-21 RSA Adelphi did not have sufficient distributable reserves to make a gift aid payment in relation to profits made in 2019-20.

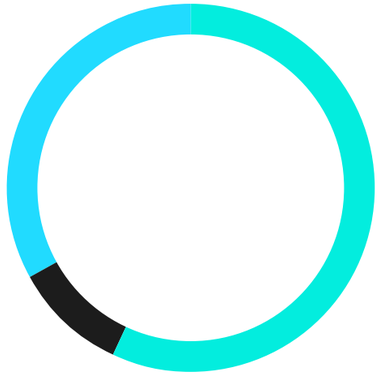
Fellowship donations increased by 2 percent in the year to £5.6m (2019-20: £5.5m). We are grateful to our Fellows for their continued support.

Other donations and legacies increased by £148k to £200k (2019-20: £52k). Other income includes £200k in government grants related to the furlough scheme. Overall we received £301k of Covid-19 related support (£200k furlough grant, £75k unrestricted grant from the Wolfson Foundation, £26k in grants from Westminster Council).

Investment income was £634k (2019-20: £669k).

Income from charitable activities fell by £1.4m due to a tough fundraising environment and the Food, Farming and Countryside Commission becoming independent of the RSA.

How we spent our funds on charitable activities



57% Programme of projects
10% Programme of lectures and events
33% Programme of engagement

Expenditure

Total expenditure fell by £3.2m to £10m (2019-20: £13.2m).

Expenditure on raising funds fell by 38 percent (£1.7m) due to the fall in cost of sales because of the lower level of income in RSA Adelphi. The cost of raising funds as a percentage of income fell from 36 percent to 32 percent.

Expenditure on charitable activities represents 86 percent of total expenditure (excluding trading operations) (2019-20: 88 percent). It fell by £1.5m (17 percent), partly due to lower direct costs on projects related to the lower level of project income, and partly due to savings because of our events series becoming digital-first and moving online.

Organisation wide cost savings included freezing salaries at 2019-20 levels, reducing employer pension contributions to a maximum of 5 percent (from 10 percent) and a recruitment freeze for the first half of the year.

Expenditure on charitable activities represents 86 percent of total expenditure

(EXCLUDING TRADING ACTIVITIES)

Investments and investment policy

Most of the RSA's funds are invested either in the RSA House in John Adam Street or in securities. The RSA's investment policy targets a long-term real rate of return of 4 percent per annum.

Of those funds invested in securities, the majority are invested in the COIF Ethical Charities Investment Fund which aims to provide a long-term total return comprising growth in capital and distributions. The portfolio is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It consists primarily of equities but also may include property, bonds and other asset classes.

The Fund follows an ethical investment policy. The portfolio does not invest in companies engaged in landmine or cluster bomb manufacture or those with a significant involvement in tobacco, pornography or online gambling. These policies are supported by an active engagement programme which seeks to raise standards on a range of issues including human rights, employment practices and climate change disclosure.

The RSA has a seat on the CCLA Ethical Advisory Committee which enables us to be part of an important conversation on fossil fuel divestment. We believe that this is the best way in which we can invest our funds in a sustainable way and exert the most influence on the companies in which we invest given the size of our portfolio.

During the year there were net gains in the market value of investment funds of £3.4m (2019-20: loss of £0.5m) and investment income was £634k (2019-20: £669k).

Reserves policy

The trustees have adopted a reserves policy, which they consider appropriate, to ensure the continuing ability of the RSA to meet its objectives and obligations. The policy also seeks to maintain an acceptable ratio between free reserves and the level of unrestricted cash expenditure.

Unrestricted funds consist of general fund reserves of £9.8m (2019-20: £8.0m); designated legacy reserves of £0.4m (2019-20: £0.6m) and a designated fixed asset reserve of £7.5m (2019-20: £7.5m) giving a total of £17.3m (2019-20: £16.1m).

The designated fixed asset reserve consists of the freehold property in John Adam Street and improvements to that property.

The designated legacy reserve refers to those legacies received by the RSA which, whilst technically unrestricted, include clear preferences expressed by the legators as to how the funds might be used. They are typically used to support the programme of projects, allowing us to produce short pieces of work which form the basis for gaining wider fundraising and support or providing match funding for funds received from third parties. This year we used £185k from the legacy fund.

During 2017-18, the RSA gained permission from the Charity Commission to take a loan of up to £3.5m from the Shipley Expendable Endowment Fund to fund the redevelopment of the RSA House. Of this, £2.5m was used and was transferred to general funds in 2018-19. Repayment began in 2019-20 with the transfer of £250k from general funds to the endowment. However, no repayment was made in 2020-21 as it is paid for by the return on the redevelopment of the RSA House and due to Covid-19 RSA House made a loss this year.

In 2020-21 the board of trustees also approved a transfer of £2.1m from the endowment reserve to general reserves. This was made in the expectation that the financial year 2021-22 would again be a deficit year (before any unrealised gains or losses on investments) due to the on-going exceptional circumstances related to Covid-19 and it would be wise to transfer sufficient sums now to ensure our free reserves remained at a safe level to meet both the demands of the forecast deficit and any adverse unforecast events that may arise in what remains a very uncertain environment.

Free reserves are defined as unrestricted funds, unexpended Shipley income funds, less fixed assets and the designated legacy reserve. This reflects those funds that the RSA could draw on in a situation of serious need.

Unrestricted cash expenditure represents the operating costs for the year, less depreciation, less the direct costs of hospitality which would not be incurred if activities ceased, and the costs of restricted activities which have their own restricted funding streams. In 2020-21 we have used the budgeted expenditure for 2021-22 rather than actual expenditure in 2020-21 because this more closely reflects the position should the reserves need to be called upon.

This year our closing free reserves were £8.9m, with a cover position (ie free reserves compared with unrestricted cash expenditure) of 10 months (2019-20: 8 months). The increase is due to the increase in the value of investments and a transfer of £2.1m from the endowment to general reserves referred to above.

The trustees have reviewed the reserves policy in the light of the current economic environment and guidance from the Charity Commission and have agreed to maintain the minimum level of free reserves at three months' unrestricted cash expenditure. The closing position is comfortably above this, partly as a result of the exceptional transfer of £2.1m from the endowment in the year. However, the anticipated deficit in 2021-22 of £2m is expected to lead to a reduction in the level of reserves held by the end of the financial year.

Given the overall financial position of the RSA, and the further funds potentially available to the organisation from within the Shipley Expendable Endowment Fund, it is believed that three months of reserves is a realistic sum to protect the organisation should the RSA suffer a major change in its financial position.

Grant making policy

The RSA achieves its charitable objects, in several ways which include providing grants, providing non-financial support, and carrying out research. Support is provided in a range of different ways, depending on the nature and objectives of each programme.

There is no set allocation of the annual budget for overall grant expenditure, rather, the RSA identifies the desired impact and the most appropriate method of delivery. Where grants are considered to be the most appropriate funding mechanism, the RSA sets out specific criteria for each grant upfront. These criteria vary from grant to grant and they are made available on the RSA's website where open calls are invited.

Applications are then assessed against these criteria and awards made considering:

- Funds available;
- Ability to deliver the objectives of the programme, and
- The quality of applications.

The period for which grants are awarded depends upon the programme but typically lasts under one year. Grants are monitored regularly, and appropriate progress reports are required from recipients. Grants approved and payable during 2020-21 included £100k for grants to Fellows for catalyst projects, £273k to our international affiliates, £100k for RSA Academies and £21k for projects which is mainly Student Design Award grants (£20k).

Fundraising disclosure

The RSA approaches fundraising through the lens of broadening and growing its Fellowship. Fellowship of the RSA is a charitable subscription which generates unrestricted income for the RSA's charitable purposes. Recruitment of new Fellows is through nomination; this is either via staff, existing Fellows or researched invitation.

The RSA does not work with professional fundraisers in relation to personal fundraising but does build relationships with other networks and membership bodies to invite nominees. The RSA will also from time to time run fundraising campaigns with its Fellows to support pieces of work or projects that it takes on.

Professional fundraisers are only used in making grant applications that are outside of its expertise. The last time this occurred was in 2017-18 with respect of the funding applications received on behalf of the RSA to cover some of the redevelopment of basement levels -1 and -2, which were being redeveloped into an expanded library and coffee house space. No professional fundraisers were used 2018-19 or 2019-20. All such applications are reviewed by the RSA with funds received directly by the RSA.

The RSA monitors fundraising compliance through its own internal audit processes; all third parties working with the RSA are required to sign and indemnify the RSA through a data sharing agreement where data is shared. It is the RSA's policy not to share the data of its Fellows without consent, except where necessary, for example with its mailing house to enable Fellows to receive copies of the journal or governance mailings, such as for the renewal of subscriptions or voting as part of the annual AGM. No fundraising complaints were received in the year.

The RSA approaches fundraising through the lens of broadening and growing its Fellowship

"The encouragement of the Arts Manufactures and Commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said Arts Manufactures and Commerce may prosper and be managed efficiently including research on all Commerce Design Industry Public Services Science Technology Social Enterprises Voluntary and other Arts to make both such research findings available to the public as well as all other exclusively charitable purposes..."

Our charitable objects

The RSA was founded in 1754 as the Society for the encouragement of Arts, Manufacture and Commerce, it was granted a Royal Charter in 1847, and the right to use the term Royal in its name by King Edward VII in 1908. The Royal Charter Company was registered as a charity in England and Wales in 1963 (212424) and is also registered in Scotland (SC037784). The RSA's charitable objects are defined within its Royal Charter as:

"The encouragement of the Arts Manufactures and Commerce... by the advancement of education in and the encouragement and conduct of research into the sustainable context within which the said Arts Manufactures and Commerce may prosper and be managed efficiently including research on all Commerce Design Industry Public Services Science Technology Social Enterprises Voluntary and other Arts to make both such research findings available to the public as well as all other exclusively charitable purposes…".

The trustee board

The board of trustees is the governing body of the RSA and consists of up to 14 members, of which five are directly elected to the board by the Fellowship, a further two by the Fellowship council from within their number, up to five Fellows elected by the board and two by RSA affiliates or other international representations. Trustees are elected or appointed for a three-year term, and may serve a second three-year term, save for Fellowship council trustees who serve for the term of the Fellowship council, which is two years. The board met four times during 2019-20, as well attending two additional annual away days. Day-to-day management of the RSA is delegated to the executive team by the trustees; the executive team attend all board meetings.

The board has established three permanent committees, each with specific terms of reference and functions that are delegated by the board, and with a board-appointed trustee as chairman: Audit and Risk (which has three external members), Nominations and Governance (which includes three members from the Fellowship council), and People and Remuneration. The chief executive and chief operating officer attend all committee meetings. The external auditors attend one meeting a year of the audit and risk committee.

The board appoints the directors of the RSA's two trading subsidiaries, RSA Adelphi Enterprises Ltd, which has one external non-executive director, and RSA Shipley Enterprises Ltd. The directors of the subsidiaries meet as necessary. The board also monitors the company's performance.

All trustees and directors receive a full induction programme upon joining the RSA and are regularly updated on relevant issues through the board and committee structures. Trustees have noted the Charity Governance Code as refreshed in December 2020 and agree to the principles it contains. Its principles are incorporated into the trustee induction programme.

Fellowship representation

An important part of the governance of the RSA's relationship with its Fellows is the Fellowship council. During 2018-20 the Fellowship council formally comprises 21 elected and six co-opted Fellows. Additionally, for the first time, the 2018-20 council has agreed, on a trial basis, to appoint global Fellowship councillors.

From October 2020 and the AGM it was agreed that the Fellowship council would comprise 22 area councillors (now including six global councillors) and initially eight programme councillors.

2018–2020

Specialism	**Thematic councillors**
Creative learning and development	Lucy Griffiths, Chris McLean
Economy, enterprise and manufacturing	Jan Floyd-Douglass, Ann Thorpe
Public services and communities	Brian McLeish
Area	**Area councillors**
Central	Peter Clitheroe, Rachel Sharpe
Ireland	Gerry Scullion, Suzanne Lyle
London	Bhavani Esapathi, Kuki Taylor, Ann Longley
North	Sharon Jandu, Maurice Ward
Scotland	Neil McLennan, Lesley Martin
South East	Caroline Clark, Don Mclaverty, Jim Zalles
South West	Michelle Preston, Nick Parker
Wales	Leonie Ramondt, Rachel Lewis
Global	Hosan Lee, Enrique Mendizibal, Marion Lawie

October 2020

Specialism	**Thematic councillors**
Programme councillors	Sarah Beeching, Jan Floyd-Douglass, Christine McLean, Don Mclaverty, Peter Quirk, Tom Schuller, Matthew Treherne
Area	**Area councillors**
Central	Clare Gage, Rachel Sharpe
Ireland	Tony Sheehan, Robert Worrall
London	Yemi Adeola, Nicola Halifax
North	Melanie Hewitt, Paul Ingram
Scotland	Elliot Alexander Goodger, Stephen Coles
South East	Denise McLaverty, Eileen Modral
South West	Neil Beagrie, Peter Jones
Wales	Hywel George, Dee Gray
Global	Nishan Chelvachandran, Enrique Mendizibal
Oceania	Marion Lawie, Kim Shore
US	Hosan Lee, Jaylena D Lomenech

The Fellowship council elects two representatives to the board of trustees, and the terms of reference specify that at least one of the representatives would be either the chair or the deputy chair of the Fellowship council. In 2020 following the appointment of a new council Nick Parker and Lucy Griffiths were replaced by Don Mclaverty and Yemi Adeola.

Principal risks and uncertainties

The trustees and management adopted in May 2019 a formal risk management policy which sets out an approach to risk as well as the board's appetite for risk under the headings financial and governance, environmental and reputational, charitable work and Fellowship, RSA Global and the RSA House. The risk register itself considers the major risks to which the RSA is exposed, comprising operational, financial, environmental, governance, and law and regulatory risks in line with the risk management policy. The risk register summarises these potential risks and assesses their likelihood and potential impact. Controls have been identified to limit each of the risks, and responsibility for their management allocated to nominated individuals or directors, and the director charged with supervision. The risk register is regularly reviewed by the audit and risk committee with a different area of the business reviewed in-depth at each quarterly meeting. Once a year the full register is reviewed by the trustee board who formally consider it in the manner set out in the risk management policy.

The risk register grades all risk as either 'Low', 'Medium', 'High' or 'Immediate and Urgent'. At the end of 2020-21 there were 2 risks marked as 'Immediate and Urgent'. These are associated with two current principle risks both based on Covid-19; the strategic move towards programmatic funding made more difficult in the Covid-19 and the loss of income from the trading subsidiary RSA Adelphi Enterprises due to the RSA House's temporary closure. Covid-19 is now no longer a new virus and we are hopefully of the ability to reopen the house during 2020-21 and increasing revenue through RSA Adelphi Enterprises with the vaccination programme under rollout within the UK. A subset of the trustees including the chair, deputy chair and treasurers during the financial year have been meeting with the executive team on a six weekly basis as to agree business decisions; having access to the government furlough scheme has mitigated loss. Business continuity plans means the RSA has been able to operate well with the RSA House closed and notwithstanding that the RSA has experienced a significant reduction in income and this could continue for an indeterminate period the trustees are of the view that the business is stable and has the ability to make controlled savings where required; the RSA is also afforded protection because Fellowship income currently remains stable and the RSA is afforded long-term protection by its endowment and freehold occupancy of 8 John Adam Street.

Apart from the risks directly arising from Covid-19 wider risks from the RSA being an organisation which aims to provide a unique platform for new ways of thinking, creating and influencing, the RSA needs to be ahead of the competition in the ideas which it showcases, how it presents those ideas, and how it uses those ideas to gain broad influence and mobilise them for real world impact. The flow of funding for the RSA's charitable work, its ability to attract partners to work with and the capacity to continue to build its Fellowship base all depend on the success of standing out from the crowd. This requires continued investment in digital technology and continued exploration of new methods

of drawing in ideas, and new forms of presentation and dissemination including maintaining a clear voice in a crowded marketplace. During 2021-22 we are looking to review the approach taken to risk and this is currently underway.

Trading subsidiary risks are monitored both through the respective boards as well as generally covered either by the group risk management policy and statement as well as a separate risks schedule for RSA Adelphi Enterprises Ltd. Apart from the matters arising from its closure due to Covid-19 the primary risks for RSA Adelphi Enterprises Ltd are the ensuring of ongoing quality standards and ensuring forward bookings. This is monitored through monthly as well as more formal quarterly meetings with CH&CO, who run Adelphi Enterprises Ltd on the RSA's behalf on a commission basis and separately also maintain a risk register. CH&CO conduct six monthly internal audits covering health and safety as well as food hygiene and general standards although these have been paused during Covid-19 with the closure of RSA House they will be restarted with trading resuming. Once a year the RSA Adelphi Enterprises Ltd reviews the audit outcomes. The primary risk for RSA Shipley Enterprises Ltd is the need to control its costs and ensure all projects run profitably; this is achieved through project forecasting and time recording to ensure each project makes a profitable contribution.

Day-to-day management of the RSA is delegated by the board of trustees to the executive team.

Covid-19 and going concern

The RSA's three main income streams have each been impacted in different ways by Covid-19:

- Membership income remained stable and in fact **increased by 2 percent in the year due to lifelong subscriptions and donations.** In 2021-22 we have budgeted for this level of income to be maintained.
- Our change programme has adapted to address the challenges posed by Covid-19 and **our funders have responded favourably.** The funding environment remains tough but we have forecast an **increase in programme income to £2.4m in 2021-22.**
- The largest impact has been on our hospitality business which was temporarily closed for much of the year and remains subject to restrictions. **We forecast income of £1.5m and net profit of £0.3m this year based on restrictions being lifted in July 2021.**

Overall, we have budgeted for a net loss of £2m in 2021-22. Our unrestricted reserves are sufficient to cover this whilst remaining within our reserves policy. In the event more significant losses arise we are lucky to have our endowment which can be used in exceptional circumstances such as these. As a result, the trustees are comfortable that the group will continue to be a going concern for the foreseeable future.

Remuneration policy

The RSA operates a broad banded salary structure for all roles including Executive level roles, based on job evaluation and benchmarking using XpertHR. Pay levels are based upon paying 5 percent above the median level in order to enable us to attract the high-quality staff that we require. The annual pay settlement is based on an award to reflect trends in reward and market pay, the inflationary environment and ensuring the affordability of all employees who have passed their probationary period and are not subject to a formal capability or conduct process (generally a percentage increase). The annual pay review is agreed by the executive management team, signed off by the remuneration committee and then ultimately approved by the trustee board as part of the annual budget. Given the unique nature of the Covid-19 crisis no pay award was made during 2020-21.

The board is aware of the need for transparency in how pay is set and its impact on different groups within the organisation.

Key management personnel

The trustees consider that the executive team, as identified on page 2, comprise the key management personnel. Executive pay is signed off on an individual basis by the people and remuneration committee based upon individual performance and comparisons provided by XpertHR's annual Voluntary Sector Salary Survey for the relevant year.

Statement of public benefit

The trustees confirm that they have complied with the duty laid out in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the RSA. The RSA's objects, as laid down in our Royal Charter, are set out above.

This impact report describes the benefits of the RSA's activities which relate directly to the RSA's aims and objectives:

- The extensive lectures programme is available to the public free of charge, both through in-person attendance and by accessing RSA content through the website in various formats;
- The results of the RSA's research are wide-ranging and are disseminated free of charge to all interested parties;
- Funding is offered for innovative new projects through RSA Catalyst;
- Innovation and creativity are encouraged though the RSA Student Design Awards and RSA Pupil Design Awards;
- The RSA's 'hands-on' projects, such as those in education, and building communities, have direct charitable benefit;
- The RSA Fellowship is diverse, engaged, and influential, and its work, which is given voluntarily, contributes to the capacity of the RSA to pursue its charitable objectives.

The trustees review the activities of the RSA against its aims on an ongoing basis and are satisfied that all activities continue to be related to those aims. No specific issues of detriment or harm have been identified. Ultimately, wider society will benefit from the charity's activities, and this is in keeping with the spirit of the RSA charter. The RSA operates throughout the whole of the United Kingdom and, through the website and approximately 3,000 Fellows abroad, around the world. It has affiliate non-profit organisations in Australia and the United States. Benefits are not confined to any group and the wider benefits of the RSA's activities are intended to include the public.

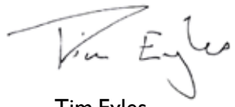
Statement of trustees' responsibilities

The law applicable to charities in England, Wales and Scotland requires trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its position at the year's end. In preparing these financial statements, the trustees should follow best practice, and:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The charity's trustees are responsible for keeping accounting records in respect of the charity, which are enough to show and explain all the charity's transactions, and which are such as to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to ensure the accounts comply with the Charities Act 2011. The trustees are responsible for safeguarding the assets of the charity, and hence for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

By order of the board of trustees.



Tim Eyles
Chair of the RSA
20 July 2021

12 Independent auditors' report to the trustees of the RSA (the royal society for the encouragement of arts, manufactures, and commerce)

Opinion

We have audited the financial statements of the RSA for the year ended 31 March 2021 which comprise the group statement of financial activities, the group and parent charity balance sheets, the group cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards, including FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 section for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 or the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- The charity has not kept adequate accounting records; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 54, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are [the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council].
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor
20 September 2021

Devonshire House,
60 Goswell Road,
London EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

13 Group statement of financial activities for the year ended 31 March 2021

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	**2021 total £'000**	2020 total £'000
Income and endowments from:							
Donations and legacies							
Fellowship donations		5,596	-	-	-	**5,596**	5,489
Other donations and legacies		200	-	-	-	**200**	52
Trading activities		293	-	-	-	**293**	3,077
Investment income		166	-	468	-	**634**	669
Charitable activities							
Programme of projects		221	-	1,193	-	**1,414**	2,765
Programme of lectures and events		35	-	-	-	**35**	38
Other income		228	-	-	-	**228**	33
Total income	2	**6,739**	**-**	**1,661**	**-**	**8,400**	**12,123**
Expenditure on:							
Raising funds							
Fellowship administration		1,076	26	-	-	**1,102**	1,135
Other		65	23	-	-	**88**	66
Trading activities		1,214	327	-	-	**1,541**	3,213
Charitable activities							
Programme of projects		2,588	233	1,322	-	**4,133**	5,400
Programme of lectures and events		678	17	70	-	**765**	773
Programme of engagement		2,328	80	-	-	**2,408**	2,619
Total expenditure	3	**7,949**	**696**	**1,392**	**-**	**10,037**	**13,206**
Net income/(expenditure) before net gains/(losses) on investments		**(1,210)**	**(696)**	**269**	**-**	**(1,637)**	**(1,083)**
Net gains/(losses) on investments	8	918	-	387	2,107	**3,412**	(541)
Net income/(expenditure)		**(292)**	**(696)**	**656**	**2,107**	**1,775**	**(1,624)**
Transfers between funds	11	2,100	-	-	(2,100)	**-**	-
Net movement of funds		**1,808**	**(696)**	**656**	**7**	**1,775**	**(1,624)**
Reconciliation of funds							
Total funds brought forward		**8,028**	**8,112**	**3,417**	**10,485**	**30,042**	**31,666**
Total funds carried forward		**9,836**	**7,416**	**4,073**	**10,492**	**31,817**	**30,042**

All incoming and outgoing resources derive from continuing operations. The Group has no gains and losses other than those recognised in this Statement of Financial Activities. The accompanying notes form part of these financial statements.

The headings on the Statement of Financial Activities relate to the impact report as follows: programme of projects and programme of lectures and events are covered in 'our focus'. Programme of engagement is covered in 'our community'.

Group cash flow statement for the year ended 31 March 2021

	2021 £'000	2020 £'000
Reconciliation of net cash provided by/(used in) operating activities		
Net outgoing resources for the year before net gains/(losses) on investments	**(1,637)**	(1,083)
Interest received and income from investments	**(634)**	(669)
Depreciation	**635**	658
Amortisation	**101**	160
Decrease in debtors	**828**	32
Decrease/(increase) in stock	**12**	(3)
Decrease in creditors	**(213)**	(314)
Net cash used in operating activities	**(908)**	(1,219)
Cash flow from investing activities		
Dividend, interest and rents from investments	**634**	669
Purchase of property, plant and equipment	**(666)**	(413)
Proceeds from sale of investments	**610**	1,150
Purchase of investments	**-**	(4)
Net cash provided by/(used in) investing activities	**578**	1,402
Change in cash and cash equivalents in the reporting period	**(330)**	**183**
Cash and cash equivalents at the beginning of the reporting period	**2,220**	2,037
Cash and cash equivalents at the end of the reporting period	**1,890**	**2,220**

Group balance sheet for the year ended 31 March 2021

	Notes	Group 2021 £'000	Group 2020 £'000	RSA 2021 £'000	RSA 2020 £'000
Fixed assets					
Intangible assets	7	**247**	129	**247**	129
Tangible fixed assets	7	**10,621**	10,809	**10,621**	10,809
Investments	8	**19,883**	17,081	**19,883**	17,081
		30,751	**28,019**	**30,751**	**28,019**
Current assets					
Stocks		**7**	19	**-**	-
Debtors	9	**471**	1,299	**438**	1,173
Short term deposits and cash at bank		**1,890**	2,220	**1,585**	1,726
		2,368	**3,538**	**2,023**	**2,899**
Creditors: amounts falling due within one year	10	**(1,242)**	(1,407)	**(998)**	(1,085)
Net current assets		**1,126**	**2,131**	**1,025**	**1,814**
Total assets less current liabilities		**31,877**	**30,150**	**31,776**	**29,833**
Creditors: amounts falling due after more than one year	10	**(60)**	(108)	**(35)**	(70)
Total assets less liabilities		**31,817**	**30,042**	**31,741**	**29,763**
Unrestricted funds – charity		**17,176**	15,861	**17,176**	15,861
Unrestricted funds – trading subsidiaries		**76**	279	-	-
Restricted funds		**4,073**	3,417	**4,073**	3,417
Endowment funds		**10,492**	10,485	**10,492**	10,485
Total funds	11	**31,817**	**30,042**	**31,741**	**29,763**

The financial statements were approved by the board of trustees on 20 July 2021 and were signed on its behalf by:

Tim Eyles
Chair

Jill Humphrey
Co-treasurer

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and the inclusion of fixed asset investments at market value as stated in the relevant note(s) to these accounts. 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 thousand pounds.

The charity constitutes a public benefit entity as defined by FRS 102. The group financial statements comprise those of the RSA and its wholly owned subsidiaries, RSA Adelphi Enterprises Limited and RSA Shipley Enterprises Limited. The results of the subsidiaries are consolidated on a line by line basis.

The RSA has a Memorandum of Understanding with RSA Academies, a charitable company limited by guarantee of which the RSA is the sole member. RSA Academies is not consolidated on a line by line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with the Fellows of the RSA in the United States, a separate corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania. As per the bylaws of the Fellows of the RSA in the US, RSA appoints half of the members of the board of trustees as well as the chair of the board, and therefore holds control in the organisation's governance structure. This US entity is not consolidated on a line by line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

The RSA has an affiliation agreement with RSA Australia and New Zealand (RSA ANZ) headquartered in Australia, a separate corporation established for charitable purposes under the laws of the Commonwealth of Australia. As per the articles of incorporation of RSA ANZ, RSA appoints half of the members of the board of trustees as well as the chair of the board, and therefore holds control in the organisation's governance structure. RSA ANZ is not consolidated on a line by line basis, as this would not materially affect the figures reported in, or presentation of, the consolidated accounts.

Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the group will continue in operational existence for the foreseeable future and are not aware of any material uncertainties which may cause doubt on the group's ability to continue as a going concern. In particular, the trustees have considered the impact of Covid-19 on the group's ability to continue as a going concern.

The RSA's three main income streams have each been impacted in different ways by Covid-19:

- Membership income remained stable and in fact increased by 2 percent in the year due to lifelong subscriptions and donations. In 2021-22 we have budgeted for this level of income to be maintained.
- Our change programme has adapted to address the challenges posed by Covid-19 and our funders have responded favourably. The funding environment remains tough but we have forecast an increase in programme income to £2.4m in 2021-22.
- The largest impact has been on our hospitality business which was temporality closed for much of the year and remains subject to restrictions. We forecast income of £1.5m and net profit of £0.3m this year based on restrictions being lifted by the end of July 2021.

Overall, we have budgeted for net loss of £2m in 2021-22. Our unrestricted reserves are sufficient to cover this whilst remaining within our reserves policy. In 2022-23 we hope to achieve a break-even position. However, in the event more significant losses arise we are lucky to have our endowment which can be used in exceptional circumstances such as these. As a result, the trustees are comfortable that the group will continue to be a going concern for at least 12 months after the approval of the financial statements.

Income and endowments

Donations, including Fellowship subscriptions, are accounted for on a cash basis and income from grants is accounted for in line with the SORP. All grants, including government grants, are accounted for when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity or a time related condition, are recognised when the charity becomes unconditionally entitled to the grant. All other incoming resources are accounted for on an accruals basis, with income relating to specific periods apportioned over the accounting periods to which it relates. Restricted income is used in accordance with specific restrictions imposed by donors.

Expenditure

Expenditure is charged on an accruals basis, inclusive of irrecoverable VAT. Expenditure incurred on support departments is apportioned to the activity area based on the appropriate driver, such as full-time equivalent (FTE) or floorspace.

Operating leases

Lease expenses are recognised as 'operating leases' relating to capital equipment which the RSA does not own. The annual rentals are charged to the statement of financial activities on a straight-line basis over the lease term.

Intangible assets and amortisation

Intangible assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Amortisation is calculated on the cost of the intangible assets on a straight-line basis over the expected useful life of 3-5 years.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental costs of acquisition. Tangible fixed assets are stated at cost with the exception of certain pictures, books and antiques which are stated at a notional value adopted in earlier years and are not depreciable. These items are not considered heritage assets as defined in FRS 102.

Depreciation is calculated on the cost of the fixed assets on a straight-line basis over the following expected useful lives:

Freehold premises	200 years from 1978
Building improvements	between 10 and 40 years
Furniture and fittings	between 3 and 5 years

Investments

Investment assets are included in the balance sheet at market value. Unrealised gains and losses on revaluation and realised gains and losses on disposal are taken to the statement of financial activities and dealt with in the relevant fund.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cash and cash equivalents

Cash and cash equivalents include unrestricted and restricted cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instrument Issues of FRS 102 to all its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are recognised as current assets due to be realised within one year or less. As such it is not necessary to amortise these assets.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised as current liabilities and as such it is not necessary to amortise these liabilities.

Funds

Unrestricted funds may be spent in accordance with the RSA's charitable objects at the discretion of the trustees. A designated fixed asset reserve has been created to highlight the value of unrestricted funds tied up in freehold premises and building improvements, and a designated legacy reserve to identify legacy receipts where there is an expectation to honour the non-binding wishes of the legator in the way that we spend the monies received.

Restricted funds arise from specific grants for individual projects, appeal receipts for specific purposes and income derived from endowment funds which must be used for restricted charitable purposes.

The capital of the James Cranstoun Bequest and Angus Millar Trust endowment funds are required to be retained in perpetuity, while the income must be used for restricted charitable purposes. The capital of the Shipley Endowment Fund may be used in specific limited circumstances, while the income must be used for restricted charitable purposes. The capital elements of all endowment funds accrue investment gains and losses.

During 2017-18, the RSA gained permission from the Charity Commission to take a loan of up to £3.5m from the Shipley Expendable Endowment Fund in order to fund the redevelopment of the RSA House. £2.5m was transferred to general funds during 2018-19 and repayment of the loan commenced in 2019. The Charity Commission have given us until 2032 to repay it. It will be paid for by the return on the redevelopment of the house. No repayment was made in 2020-21 due to the impact of Covid-19 on income earned from RSA House.

Pension costs

For group personal pension schemes the amount charged to the group statement of financial activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either creditors or debtors in the balance sheet.

Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements:

Revenue from performance related grants and contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones in the agreement and the time spent to date compared to the total time expected to be required to undertake the agreement. Estimates of the total time required to undertake the agreement are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making. See notes 9 and 10 for disclosure of the amount by which revenue exceeds progress billing (accrued income) or billing exceeds revenue (deferred income).

2. Income

Split of income 2021	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of lectures and events £'000	Other income £'000	2021 total £'000
Fellowship	5,596	-	-	-	-	-	5,596
Donations and legacies (individuals)	56	-	-	42	-	-	98
Commercial organisations	43	-	-	221	4	-	268
Charitable trusts and foundations	75	-	-	1,081	3	-	1,159
Public sector bodies	26	-	-	47	-	200	273
Trading activities	-	293	-	-	-	-	293
Fees income	-	-	-	23	28	28	79
Dividends, interest and rent income	-	-	634	-	-	-	634
	5,796	**293**	**634**	**1,414**	**35**	**228**	**8,400**

2020	Donations and legacies £'000	Income from other trading activities £'000	Investment income £'000	Programme of projects £'000	Programme of lectures and events £'000	Other income £'000	2020 total £'000
Fellowship	5,489	-	-	-	-	-	5,489
Donations and legacies (individuals)	17	-	-	63	-	-	80
Commercial organisations	35	-	-	436	9	-	480
Charitable trusts and foundations	-	-	-	2,007	-	-	2,007
Public sector bodies	-	-	-	232	-	-	232
Trading activities	-	3,077	-	-	-	-	3,077
Fees income	-	-	-	26	30	33	89
Dividends, interest and rent income	-	-	669	-	-	-	669
	5,541	**3,077**	**669**	**2,764**	**39**	**33**	**12,123**

Donations and legacies income includes Fellowship income and unrestricted donations and legacies. This includes £101k of Covid-19 related support (£75k unrestricted grant from the Wolfson Foundation, £26k in grants from Westminster Council).

Income from other trading activities comprises the income generated through the trading subsidiaries, RSA Adelphi Enterprises Ltd and RSA Shipley Enterprises Ltd. This amounted to:

From RSA Adelphi Enterprises Ltd., for the hire of conference rooms and the provision of catering services, £102k (2020: £3,110k).

From RSA Shipley Enterprises Ltd., for the provision of consultancy services, £191k (2020: £62k).

Programmes of projects and lectures and events comprise all funding received towards supporting these particular charitable activities.

Other income comprises fee and royalty income generated by the CEO, journal and library and £200k in relation a government furlough grant.

3. Expenditure

2021 Expenditure on:	Direct costs: staff cost £'000	Direct costs: other £'000	Apportioned support £'000	2021 total £'000
Raising funds				
Fellowship administration	536	299	267	1,102
Other	16	36	36	88
Trading activities	587	437	517	1,541
Charitable activities				
Programme of projects	1,913	1,077	1,143	4,133
Programme of lectures and events	365	97	303	765
Programme of engagement	808	984	616	2,408
Total expenditure	**4,225**	**2,930**	**2,882**	**10,037**

2020 Expenditure on:	Direct costs: staff cost £'000	Direct costs: other £'000	Apportioned support £'000	2020 total £'000
Raising funds				
Fellowship administration	548	282	305	1,135
Other	19	10	37	66
Trading activities	1,347	1,143	723	3,213
Charitable activities				
Programme of projects	2,121	2,123	1,156	5,400
Programme of lectures and events	338	92	343	773
Programme of engagement	1,059	948	612	2,619
Total expenditure	**5,432**	**4,598**	**3,176**	**13,206**

Direct costs are allocated to categories of activity as follows:

Expenditure on raising funds comprises the cost of recruiting to and administering our Fellowship and unrestricted fundraising.

Trading activities comprises the costs associated with the hire of conference rooms, the provision of catering services and with the provision of consultancy services.

Programmes of projects and lectures and events comprise the costs of performing these charitable activities.

Programme of engagement comprises the costs of other charitable activities including those of the journal, library, Fellowship networks and the costs incurred for activities within the areas and nations.

The external audit fee was £35k (2020: £29k). Fees paid to the auditors for non audit services were £3k (2020: £4k).

Where expenditure cannot be directly allocated it represents support costs (see analysis of apportioned support costs on page 66) and is apportioned on a basis consistent with the use of resources, for example the number of full-time equivalent staff or floor space. Costs relating to external communications have been included in the direct costs of the activities which they support.

Total expenditure excludes the value of work contributed by Fellows to the activities of the RSA.

3. Expenditure – continued

Analysis of apportioned support costs

2021	Fellowship administration £'000	Other expenditure on raising funds £'000	Trading activities £'000	Programme of projects £'000	Programme of lectures and events £'000	Programme of engagement £'000	2021 total £'000
Establishment	25	-	311	89	17	47	489
Executive management	24	36	12	140	140	119	471
Finance	36	-	32	151	24	74	317
Human resources	80	-	71	336	54	166	707
Information technology	64	-	57	268	43	132	564
Governance	38	-	34	159	25	78	334
Total	**267**	**36**	**517**	**1,143**	**303**	**616**	**2,882**

2020	Fellowship administration £'000	Other expenditure on raising funds £'000	Trading activities £'000	Programme of projects £'000	Programme of lectures and events £'000	Programme of engagement £'000	2020 total £'000
Establishment	44	-	547	152	29	83	855
Executive management	25	37	12	150	150	125	499
Finance	35	-	24	125	24	59	267
Human resources	81	-	56	292	56	138	623
Information technology	80	-	56	291	56	138	621
Governance	40	-	28	146	28	69	311
Total	305	37	723	1,156	343	612	3,176

4. Trustee and staff costs

Trustees

Members of the trustee board and committees do not receive any remuneration for their services. Travel expenses were reimbursed to one trustee (2019-20: 5) and amounted to £0.4k (2019-20: £5k). Charitable funds have been used to buy indemnity insurance for trustees at a cost of £9k (2019-20: £8k).

Staff

The headcount during the year was 118 (2019-20: 162). In addition 2 (2019-20: 18) staff who assist with public lectures and front of house services were on casual contracts.

4. Trustee and staff costs – continued

The average number of staff employed during the year on a full-time equivalent basis was 110 (2019-20: 117). This was split across the organisation as follows:

	2021 no	2020 no
Expenditure on raising funds	10	12
Trading activities*	9	8
Programme of projects	43	44
Programme of lectures and events	7	9
Programme of engagement	21	21
Support departments	20	23
	110	**117**

*Trading activities includes RSA front of house staff who contribute to services provided by RSA Adelphi Enterprises Limited and programmes staff working to generate funds through RSA Shipley Enterprises Limited.

The cost of these individuals was as follows:

	2021 £'000	2020 £'000
Salaries	4,538	4,642
Employer's National Insurance contributions	422	466
Pension contributions	213	364
	5,173	**5,472**
Agency staff costs	102	210
Total staff costs	**5,275**	**5,682**

The number of employees who earned more than £60,000 during the year was as follows:

	2021 no	2020 no
£60,001 to £70,000	1	3
£70,001 to £80,000	2	1
£80,001 to £90,000	1	5
£90,001 to £100,000	1	1
£100,001 to £110,000	3	1

The number of higher paid employees accruing pension benefits was:

	2021 no	2020 no
Defined contributions scheme – group personal pension	8	11

The total contributions paid by the RSA into the defined contribution scheme for higher paid employees was £35k (2020: £79k). The cost of key management personnel, defined as members of the executive team, including employer's National Insurance and pension contributions by the RSA was £352k (2020: £540k).

Termination payments for the year totalled £10k (2019-20: £61k).

5. Grants/awards paid and payable

	2021 £'000	2020 £'000
Grant creditor at 1 April	34	34
Grants approved before 31 March and payable within one year	494	777
Grants paid/released during the year	(483)	(777)
Grant creditor at 31 March	**45**	**34**

Grants approved before 31 March and payable within one year:

		2021 £'000	2020 £'000
Grants	Grants to Fellows, including Catalyst grants	100	100
Grants	International affiliates	273	192
Grants	RSA Academies	100	100
Grants	Programme of projects	1	363
Awards	Student Design Awards	20	22
	Projects inc SDAs	**21**	**385**
Total		**494**	**777**

The total number of grant recipients was 68 (2020: 67), including the following institutions in receipt of grants totalling £100k or more:

	2021 £'000	2020 £'000
RSA Academies	100	100
RSA US	199	140
Bayes Impact France	201	-
Education Endowment Foundation	-	200

6. Operating leases

At 31 March, the commitment for the next year under non-cancellable operating leases relating to equipment and the total outstanding commitment to the end of the leases were:

	2021 £'000	2020 £'000
Within one year	6	10
In 2-5 years	24	8

The rental expense charged to the statement of financial activities for the year was £17k (2020: £18k).

7a. Intangible fixed assets

	£'000
Cost or valuation	
As at 1 April 2020	601
Additions	219
Disposals	-
As at 31 March 2021	**820**
Amortisation	
As at 1 April 2020	472
Charge for the year	101
Disposals	-
As at 31 March 2021	**573**
Net book values	
As at 1 April 2020	129
As at 31 March 2021	**247**

7b. Tangible fixed assets

	Freehold premises £'000	Building improvements £'000	Furniture and fittings £'000	Pictures books and antiques £'000	Total £'000
Cost or valuation					
As at 1 April 2020	4,965	10,363	631	33	15,992
Additions	-	237	210	-	447
Disposals	-	-	-	-	-
As at 31 March 2021	**4,965**	**10,600**	**841**	**33**	**16,439**
Depreciation					
As at 1 April 2020	727	4,036	420	-	5,183
Charge for the year	26	498	111	-	635
Disposals	-	-	-	-	-
As at 31 March 2021	**753**	**4,534**	**531**	**-**	**5,818**
Net book values					
As at 1 April 2020	4,238	6,327	211	33	10,809
As at 31 March 2021	**4,212**	**6,066**	**310**	**33**	**10,621**

The freehold properties at 2, 4, 6 and 8 John Adam Street and 18 Adam Street are listed as historic buildings. They are referred to elsewhere throughout the accounts as RSA House. The RSA is required by law to maintain these properties in their present form in perpetuity. The value of the freehold premises represents the historical cost of acquiring the freeholds plus the cost of additions to the buildings. It is a requirement of United Kingdom Accounting Standards that freehold buildings should be depreciated over their estimated useful lives. To meet this requirement a notional life of 200 years was attributed to the premises in 1978, and depreciation is therefore charged on that basis.

Fixed assets are stated at cost with the exception of certain pictures, books and antiques which are stated at a notional value adopted in earlier years and are not depreciable. The trustees do not consider that any of these items are heritage assets.

Additions in the year are relatively high because we used the period of lockdown to refurbish some rooms in RSA House.

8. Investment assets

Investments in government and other listed securities and Charities Official Investment Funds at market values

Analysis of investment assets

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	2020 total £'000
UK	694	226	1,028	1,948	2,096
Overseas	4,775	1,552	7,072	13,399	10,305
Alternative investments	971	316	1,437	2,724	2,562
Freehold property	297	97	440	834	1,025
Bank deposits	349	113	516	978	1,093
	7,086	**2,304**	**10,493**	**19,883**	**17,081**

Analysis of movement of investment assets

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 total £'000	2020 total £'000
Investments at 1 April 2020	4,678	1,917	10,486	17,081	18,768
Net withdrawals	(610)	-	-	(610)	(1,150)
Net additions	-	-	-	-	4
Transfers	2,100	-	(2,100)	-	-
Revaluation gain	918	387	2,107	3,412	(541)
Investments at 31 March 2021	**7,086**	**2,304**	**10,493**	**19,883**	**17,081**
Revaluation loss 2020	**(142)**	**(61)**	**(338)**	**(541)**	

9. Debtors

	Group 2021 £'000	Group 2020 £'000	RSA 2021 £'000	RSA 2020 £'000
Trade debtors	160	781	103	558
Bad debt provision	-	(30)	-	(20)
Prepayments	213	223	213	223
Accrued income	54	201	54	168
Other debtors	44	124	45	124
Owed by RSA Adelphi / RSA Shipley	-	-	23	120
	471	**1,299**	**438**	**1,173**

Accrued income relates to funds already earned but not yet received for work or activities undertaken in the current year. The accrued income which was brought forward from the previous year has been released in the current year.

10. Creditors: amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	RSA 2021 £'000	RSA 2020 £'000
Trade creditors	314	653	307	542
Accruals	342	203	328	187
Deferred project income	210	123	153	106
Taxation and social security	53	129	95	127
Other creditors	115	123	115	123
RSA hospitality income received in advance	208	176	-	-
	1,242	**1,407**	**998**	**1,085**

Deferred project income relates to funds already received for work or activities due to be undertaken in the coming year. The deferred project income which was brought forward from the previous year has been released in the current year.

Creditors: amounts falling due after more than one year

	Group 2021 £'000	Group 2020 £'000	RSA 2021 £'000	RSA 2020 £'000
RSA hospitality income received in advance	60	108	35	70

11. Funds

a) Movement in funds

	Balance 1 April 2020 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2021 £'000
Unrestricted funds						
Designated fixed asset reserve	7,500	-	(511)	-	-	6,989
Designated legacy reserve	612	-	(185)	-	-	427
General reserve	8,028	6,739	(7,949)	918	2,100	9,836
	16,140	**6,739**	**(8,645)**	**918**	**2,100**	**17,252**
Restricted income funds						
Other programmes	437	1,193	(1,245)	-	-	385
Shipley Income Fund	2,269	424	-	238	-	2,931
Individual trusts greater than £5k:						
Edward Boyle Fund	121	4	-	23	-	148
Edward Squires Fund	85	4	(77)	26	-	38
Dick Onians Lecture Trust	82	3	-	14	-	99
James Cranstoun Bequest	89	14	-	-	-	103
F H Andrews Bequest	18	1	-	3	-	22
General Award Fund	90	6	-	32	-	128
General Lecture Fund	187	10	(70)	51	-	178
Angus Millar Trust	39	2	-	-	-	41
	3,417	**1,661**	**(1,392)**	**387**	**-**	**4,073**

11. Funds – continued

a) Movement in funds

	Balance 1 April 2020 £'000	Income £'000	Expended £'000	Gain/ (loss) £'000	Transfers £'000	Balance 31 March 2021 £'000
Endowment funds						
Shipley Expendable Endowment	10,054	-	-	2,021	(2,100)	9,975
Individual trusts greater than £10k:						
James Cranstoun Bequest – end	371	-	-	76	-	447
Angus Millar Trust – end	60	-	-	10	-	70
	10,485	**-**	**-**	**2,107**	**(2,100)**	**10,492**
Total reserves	**30,042**	**8,400**	**(10,037)**	**3,412**	**-**	**31,817**

b) Restricted income funds

The restricted programme of projects fund includes grant funding which has been received during the course of the financial year to support this charitable activity.

The Shipley Income Fund is the income generated by the Shipley Endowment Fund which is used to support the RSA's programme in furtherance of its charitable objects.

The Edward Boyle Fund originates from a donation made by the Edward Boyle Memorial Trust in 1995 and is to be used, in the name of Edward Boyle, for the provision of bursaries at the University of Leeds, in addition to lectures at the University of Leeds and the RSA which should be broadly related to education, music and/or learning.

The General Awards Fund and General Lecture Fund were set up during the 2015-16 fiscal year and each comprise a group of funds released to restricted from endowment with the permission of the Charity Commission. The General Awards Fund may be used for the encouragement of arts, manufactures and commerce by the provision of awards, prizes, bursaries and grants, and the General Lecture Fund for the encouragement of arts, manufactures and commerce by the provision of lectures, and related costs.

c) Endowment funds

The endowment funds are trusts set up by individual donors in support of specific purposes such as named lectures and preservation of historic buildings. £440k income arising from the expendable endowment was included in restricted funds in accordance to the requirements of the funds (2020: £406k).

The Shipley Expendable Endowment Fund was used to fund the redevelopment of the RSA House. £2.5m was transferred to general funds during 2018-19 and repayment of the loan commenced in 2019. The Charity Commission have given us up to 2032 to repay it. Repayments will be funded by the return on the redevelopment of the house. No repayment was made in 2020-21 due to the impact of Covid-19 on income earned from RSA House.

A transfer of £2.1m from the endowment to general reserves was approved by the board of trustees as a result of the exceptional circumstances presented by Covid-19.

d) Analysis of net assets between funds

	Tangible and intangible fixed assets £'000	Investments £'000	Current assets £'000	Liabilities £'000	Fund balances £'000
Unrestricted funds					
Designated fixed asset reserve	6,988	-	-	-	6,988
Designated legacy reserve	-	428	-	-	428
General reserve	3,880	6,659	576	(1,279)	9,836
	10,868	7,087	576	(1,279)	17,252
Restricted income funds	-	2,304	1,792	(23)	4,073
Endowment funds					
Expendable	-	9,975	-	-	9,975
Permanent	-	517	-	-	517
	-	10,492	-	-	10,492
Total funds	**10,868**	**19,883**	**2,368**	**(1,302)**	**31,817**

12. Pension schemes

The consolidated statement of financial activities includes contributions by the charity to the group personal pension scheme of £214k (2020: £364k).

13. Taxation

As a registered charity the RSA is not liable to taxation on its income and capital gains so long as they are used for its charitable purposes.

14. Related parties

None of the trustees have been paid remuneration.

In April 2021 Andrea Kershaw was contracted, through her agency, to provide organisation review support. The estimated fees for this work are £24k.

15. Subsidiary undertakings

a) RSA Adelphi Enterprises Limited

The company principally operates a hospitality business within the RSA House. It is also able to undertake any other activity regarded as trading. It is a wholly owned subsidiary and is incorporated in England and Wales. Two members of the RSA trustee board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by Gift Aid. The RSA's investment in the share capital is £100, represented by 100 shares of £1 each. The shares are not disclosed in the balance sheet summary below because they round down to £0k.

i) Summary of profit and loss account for RSA Adelphi Enterprises Limited (company number: 02784581)

	2021 £'000	2020 £'000
Turnover	102	3,110
Cost of sales	(345)	(1,905)
Gross profit	**(243)**	**1,205**
Other expenses	(15)	(935)
Net profit	**(258)**	**270**
Bank interest	-	1
Gift Aid paid to RSA	-	(376)
Net movement in funds	**(258)**	**105**

ii) Summary of balance sheet for RSA Adelphi Enterprises Limited

	2021 £'000	2020 £'000
Current assets:		
Stocks	6	17
Debtors	82	188
Cash	162	472
Owed by group	-	-
	250	**677**
Creditors:		
Creditors	8	111
Payments received on account	233	214
Owed to group	-	82
Other creditors	9	12
	250	**419**
Net assets/share capital	**-**	**258**

15. Subsidiary undertakings – continued

b) RSA Shipley Enterprises Limited

The company principally operates a consultancy business within the RSA House. It is also able to undertake any other activity regarded as trading. It is a wholly owned subsidiary and is incorporated in England and Wales. Two members of the RSA trustee board sit on the board of directors but are not remunerated for this service.

The taxable profits are donated to the RSA each year by Gift Aid. The RSA's investment in the share capital is £1, represented by one share of £1. The share is not disclosed in the balance sheet summary below because it rounds down to £0k.

i) Summary of profit and loss account for RSA Shipley Enterprises Limited (company number: 08716337)

	2021 £'000	2020 £'000
Turnover	191	62
Cost of sales	(73)	(27)
Gross profit	**118**	**35**
Other expenses	(43)	(15)
Net profit	**75**	**20**
Gift Aid paid to RSA	(20)	(34)
Net movement in funds	**55**	**(14)**

ii) Summary of balance sheet for RSA Shipley Enterprises Limited

	2021 £'000	2020 £'000
Current assets:		
Debtors	26	58
Cash	143	23
	169	**81**
Creditors:		
Creditors	70	22
Owed to parent	23	38
	93	**60**
Net assets/share capital	**76**	**21**

c) Reconciliation of subsidiary results to group reporting

	2021 £'000	2020 £'000
Income from trading activities	293	3,077
Expenditure on trading activities – direct costs	(1,024)	(2,489)
Contribution to RSA overheads	**(731)**	**588**
Expenditure on trading activities – support costs	(517)	(724)
As reported in RSA consolidated financial statements	**(1,248)**	**(136)**
Add back support costs apportioned to activity for group reporting purposes	517	723
Add back direct costs incurred by parent allocated to activity for group reporting	616	666
Add back intercompany charges eliminated upon group reporting consolidation	(68)	(963)
RSA Adelphi/Shipley Enterprises reported profit	**(183)**	**290**

d) Other subsidiary undertakings

The RSA also has three other subsidiary undertakings as follows, none of which are consolidated as they would not materially affect the figures reported in, or presentation of, the consolidated accounts.
(i) RSA Academies, a company limited by guarantee and a registered charity;
(ii) RSA Australia and New Zealand, a corporation established for charitable purposes under the laws of the Commonwealth of Australia;
(iii) RSA US, a corporation established for charitable purposes under the laws of the Commonwealth of Pennsylvania.

16. Parent charity result

	2021 £'000	2020 £'000
Income and endowments	8,175	10,008
Expenditure	(9,629)	(11,383)
Gift Aid income from subsidiaries	20	410
Net income/(expenditure) before net gains/(losses) on investments	(1,434)	(965)
Net gains/(losses) on investments	3,412	(541)
Net movement of funds	**1,978**	**(1,506)**

17. Financial instruments

	Group 2021 £'000	Group 2020 £'000	RSA 2021 £'000	RSA 2020 £'000
Carrying amount of financial assets				
Debt instruments measured at amortised cost	258	1,075	225	950
Instruments measured at fair value through profit or loss	18,904	15,988	18,904	15,988
	19,162	17,063	19,129	16,938
Carrying amount of financial liabilities				
Measured at amortised cost	808	1,049	750	852

18. Comparative statement of financial activities

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	2020 total £'000
Income and endowments from:						
Donations and legacies						
Fellowship donations		5,489	-	-	-	5,489
Other donations and legacies		52	-	-	-	52
Trading activities		3,077	-	-	-	3,077
Investment income		218	-	449	2	669
Charitable activities						
Programme of projects		225	-	2,540	-	2,765
Programme of lectures and events		38	-	-	-	38
Other income		33	-	-	-	33
Total income	2	**9,132**	**-**	**2,989**	**2**	**12,123**
Expenditure on:						
Raising funds						
Fellowship administration		1,108	27	-	-	1,135
Other		66	-	-	-	66
Trading activities		2,871	342	-	-	3,213
Charitable activities						
Programme of projects		2,146	260	2,994	-	5,400
Programme of lectures and events		755	18	-	-	773
Programme of engagement		2,467	82	70	-	2,619
Total expenditure	3	**9,413**	**729**	**3,046**	**-**	**13,206**
Net income/(expenditure) before net gains/(losses) on investments		**(281)**	**(729)**	**(75)**	**2**	**(1,083)**
Net gains/(losses) on investments	8	(142)	-	(61)	(338)	(541)
Net income/(expenditure)		**(423)**	**(729)**	**(136)**	**(336)**	**(1,624)**
Transfers between funds		31	-	(281)	250	-
Net movement of funds		**(392)**	**(729)**	**(417)**	**(86)**	**(1,642)**
Reconciliation of funds						
Total funds brought forward		8,420	8,841	3,833	10,572	31,666
Total funds carried forward		**8,028**	**8,112**	**3,416**	**10,486**	**30,042**



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