



IMPACT REPORT 2020-21

And financial accounts

For the year ended 31 March 2021

Contributors

Patron	Shonagh Manson
Her Majesty The Queen	Don McLaverty <i>from November 2020</i>
President	John Towers (also RSA Academies Chair)
Her Royal Highness The Princess Royal	
Trustees	Principal Office
Tim Eyles Chair	8 John Adam Street, London WC2N 6EZ
Philippa Wilson Deputy Chair	Executive team
Jill Humphrey Co-Treasurer	Matthew Taylor Chief Executive
Stephen Gleadle Co-Treasurer	Natalie Carsey Chief Operating Officer
Yemi Adeola <i>from November 2020</i>	Anthony Painter Chief Research and Impact Officer
Ian Coleman <i>until October 2020</i>	Constitution
Nick Parker <i>until November 2020</i>	The RSA is a charity governed by a Royal Charter (RC000523). It is registered under the Charities Act 2011. Registration Number 212424.
Andrea Kershaw	The RSA is also registered in Scotland. Registration Number SC037784.
Sam Lewis <i>from October 2020</i>	
Lucy Griffiths <i>until November 2020</i>	
Charlotte Oades	
Jan Portillo	
Shaifali Puri <i>from May 2020</i>	

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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“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



2 About us

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.

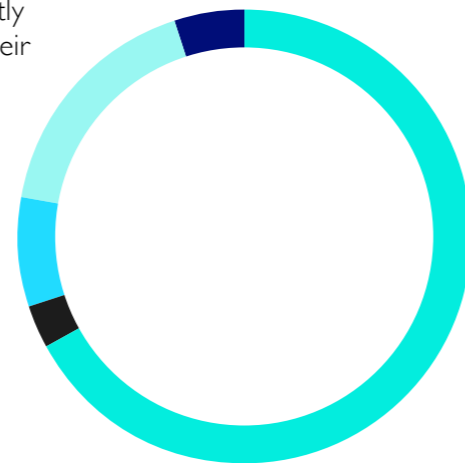
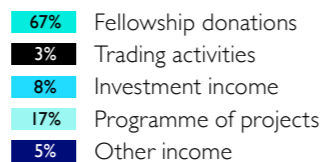
How we're funded and the impact of Covid-19

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.



3 Our strategy, objectives and performance

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

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

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.

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.

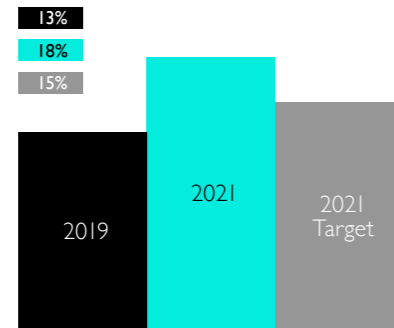
The rebrand was well received by our Fellows with **72 percent in favour** of the changes versus only 5 percent against. Since the launch of the new brand identity, we have seen a 38 percent increase in engagement levels for the RSA among changemakers in the UK, up from 13 to 18 percent compared to pre rebrand levels. Also, an increase in favourability towards the RSA of 3 percent, up from 28 percent to 31 percent.

SOURCE: YOUNG & RUBICAM 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: YOUNG & RUBICAM SURVEY 2021

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.

“Awesome fresh design. Makes me proud to be involved. Simple signposting. Clear messaging”.

RSA Fellow

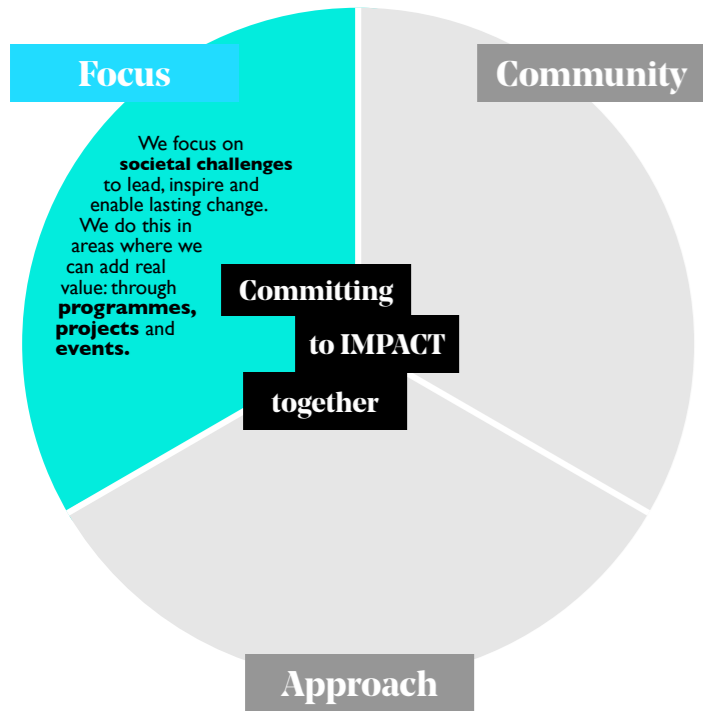
Improved social media engagement

in 6.57 percent engagement (average 3 percent)

tw 3.2 percent engagement (average 2 percent)

f 2 percent engagement (average 2 percent)





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



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

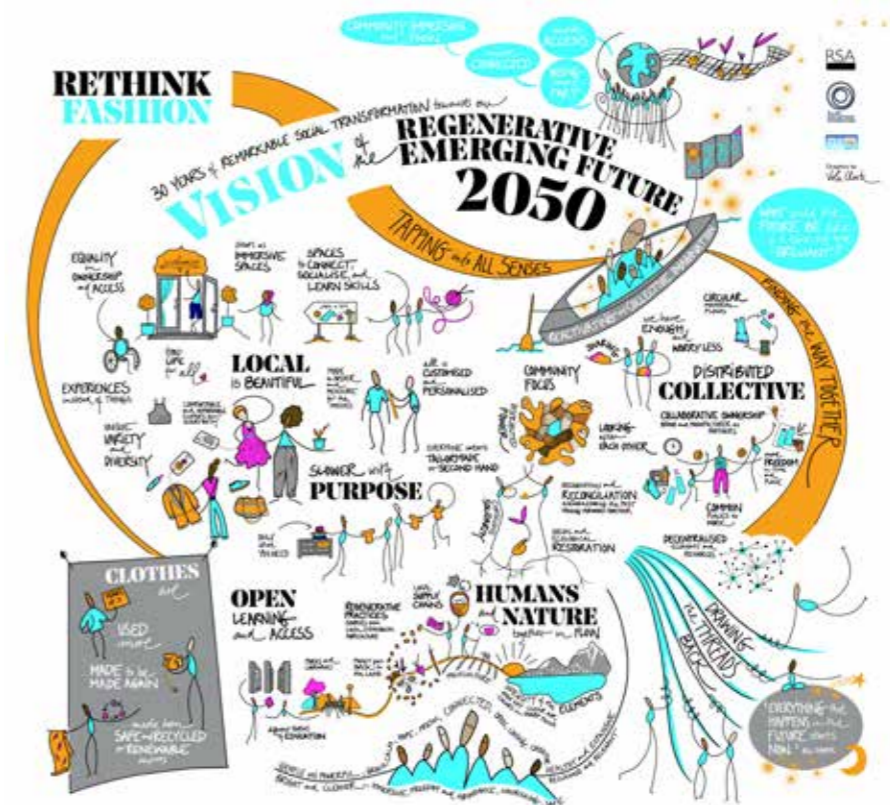
long-term thinking in their work through the **Long Time Sessions**, our partnership with the Long Time Project and the Serpentine Gallery; we enabled young designers to bring long-term thinking and biomimicry to their work through two **Student Design Awards** briefs connected to the programme; the **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.





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 Whyeb, 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.

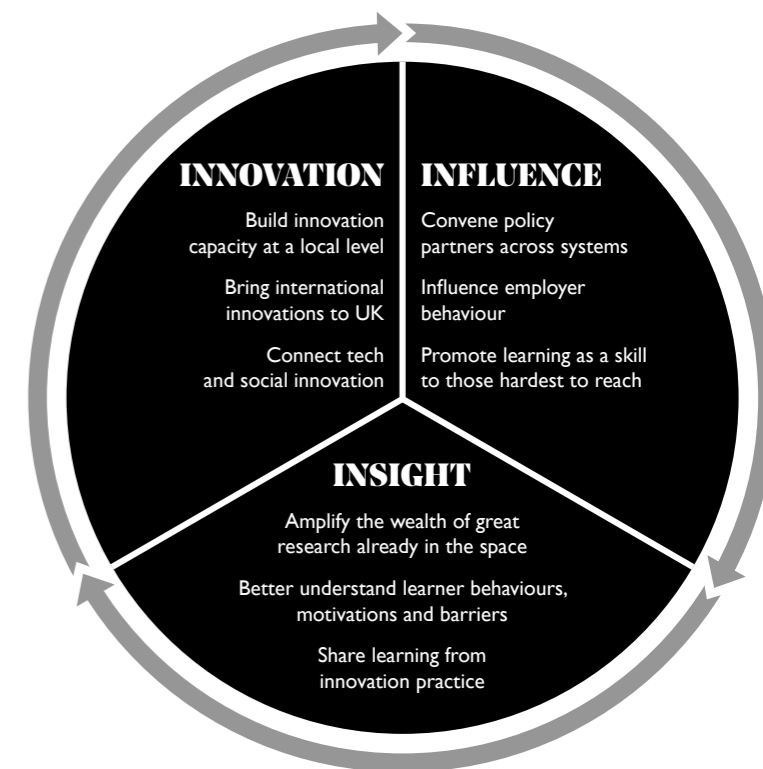
Emergent programmes

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”.



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 unleashed 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:

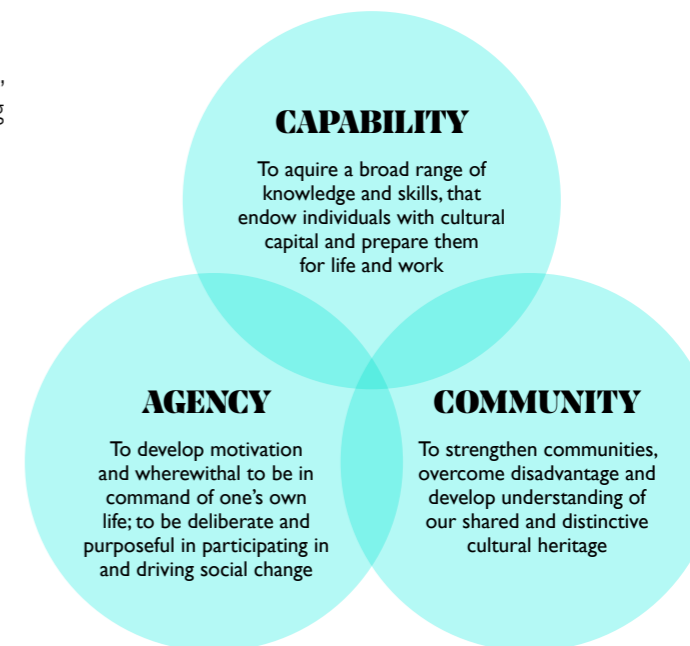
To raise awareness of how RSA narratives around rebalancing the three purposes of education are helping shift policymaker and practitioner discourse.

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

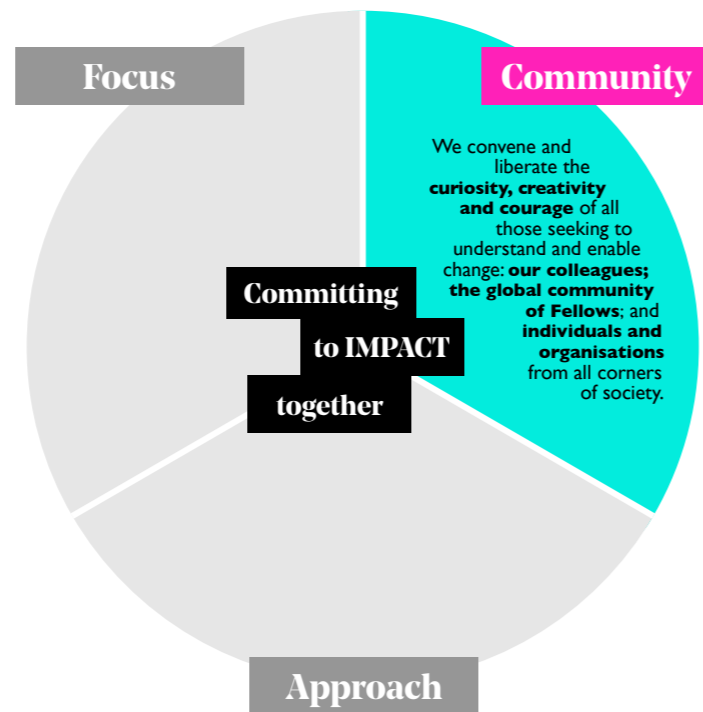
The **Journal** places RSA content in the context of wider thinking and themes, distributed to all Fellows. It is uploaded to the academic search engine **JSTOR** for reference by academics. With a quarterly output, its focus is on providing thought provoking articles that ask difficult questions, share 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:

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.

“My dialogues with the RSA Fellows across the world have accelerated our collective ability to solve critical global challenges”.

RSA Fellow, March 2021

“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 case study

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.



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](https://twitter.com/theRSA_US)



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.



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

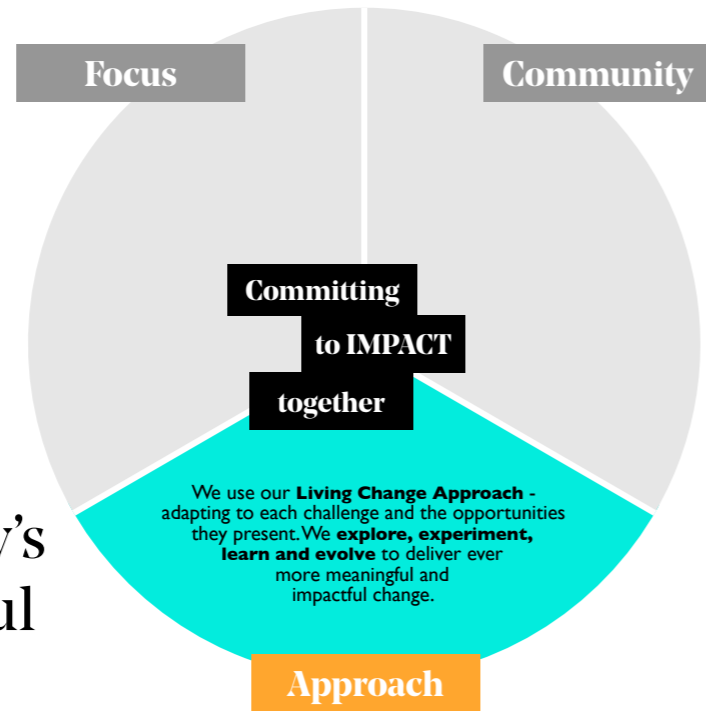
Arts Connect
Arts Council England
Arts Work
British Council
Chartered Institute for Marketing

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

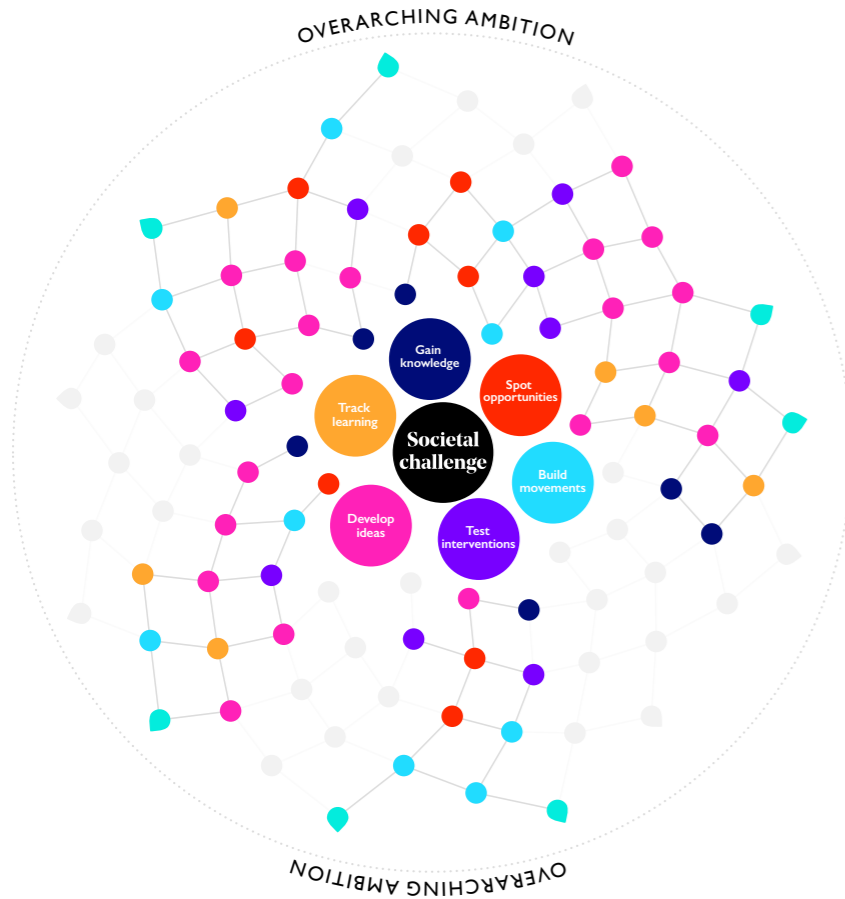
Last year, the RSA shared our Living Change Approach with the world. Living Change brings together everything we have learned over the years through both our own and our community's change work, about impactful ways to respond to complex social challenges.



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

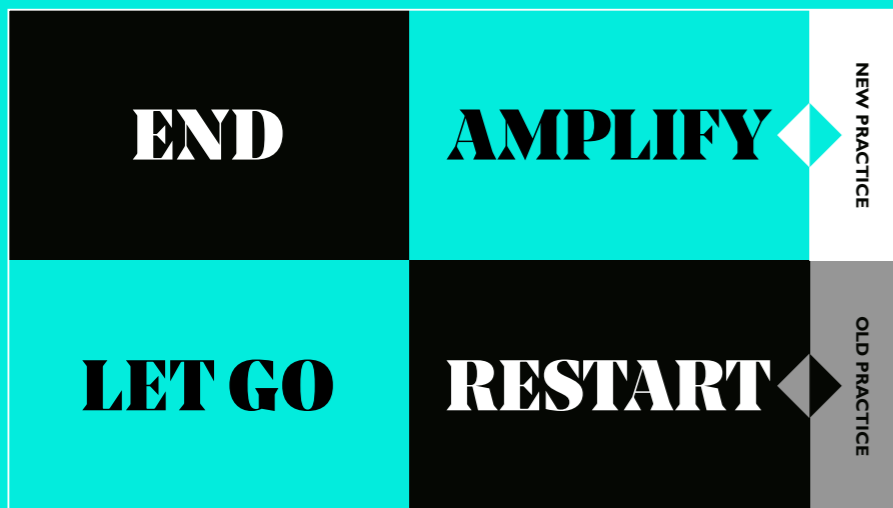
Our learning group



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.



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

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.

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.

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 m ² of building		Per m ² (tonnes CO2 per m ²)		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



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.

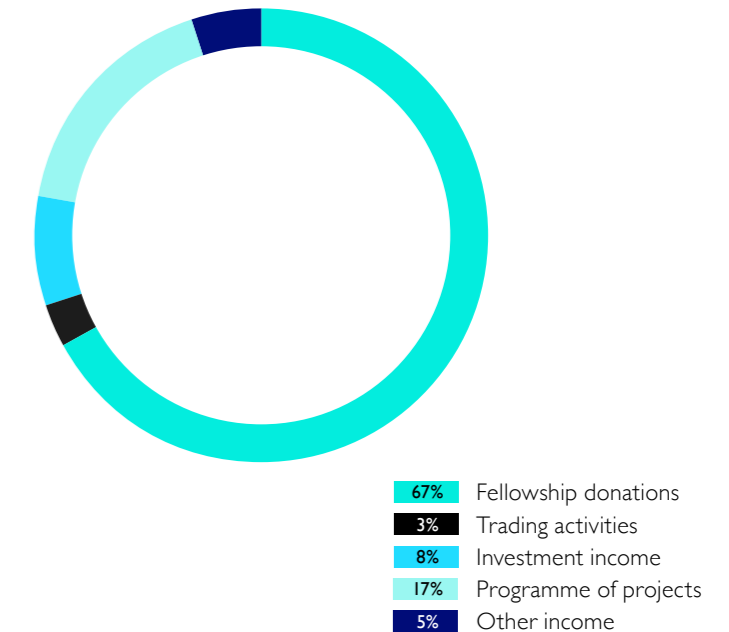
Costs fell by £3.2m to £10m due to lower hospitality related costs of sales, lower staff costs and an organisation wide effort to cut expenditure to mitigate the fall in income.

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.

The RSA's principal funding sources in 2020-21 were its Fellows (67 percent)

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.

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).

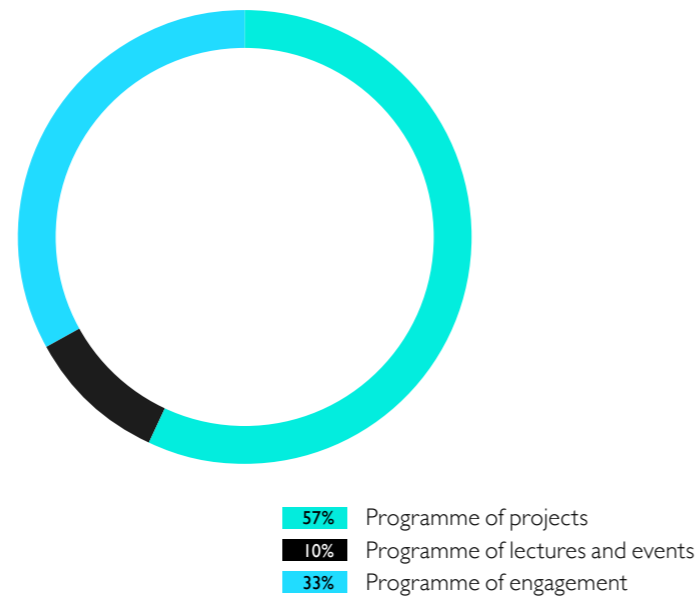
Investment income was £634k (2019-20: £669k).

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.

Expenditure on charitable activities represents 86 percent of total expenditure

(EXCLUDING TRADING ACTIVITIES)

How we spent our funds on charitable activities



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.

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 ongoing 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).

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.

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

**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 through 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.

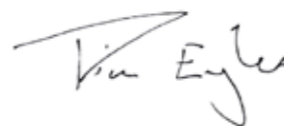
Statement of trustees' responsibilities

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) Transfers between funds	11	(292)	(696)	656	2,107	1,775	(1,624)
		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.

I. 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

	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
2021							
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

	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
2020							
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
Total	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
Total	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)	
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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

Notes to the financial statements continued

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						
Shipleigh 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 Shipleigh Income Fund is the income generated by the Shipleigh 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 Shipleigh 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



8 John Adam Street London WC2N 6EZ
general@rsa.org.uk | 020 7930 5115 | thersa.org