



# **RSA ACADEMIES**

(A charitable company limited by guarantee)

Trustees' Annual Report & Financial Statements  
for the year ended 31 March 2022

**RSA ACADEMIES  
REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Trustees and Directors**

Penny Egan  
Peter Fell  
Rachel Sandby-Thomas  
John Towers (Chair)  
Sue Hind Woodward

**Member and Ultimate Parent Undertaking**

The Royal Society for the encouragement of the Arts, Manufactures and Commerce (the RSA)

**Executive Director**

Colin Hopkins (to 25<sup>th</sup> November 2021)

**Registered office**

8 John Adam Street, London WC2N 6EZ

**Constitution**

RSA Academies is a company limited by guarantee 07761509  
RSA Academies is registered under the Charities Act 2011 - 1148908

**Auditor**

Price Bailey LLP  
3rd Floor, 24 Old Bond St, Mayfair, London W1S 4AP

**Bankers**

Coutts & Co  
440 The Strand, London WC2R 0QS

# **RSA ACADEMIES TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2022**

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## **Our purpose**

During the financial year 2021/22 RSA Academies worked with nine schools across the West Midlands:

- Abbeywood First RSA Academy
- Arrow Vale RSA Academy
- Church Hill Middle RSA Academy
- Holyhead School
- Ipsley CE RSA Academy
- Oldbury Park Primary RSA Academy
- RSA Academy, Tipton (renamed from 1<sup>st</sup> September 2021 as Gospel Oak School)
- St Stephen's CE RSA Academy
- Sutton Park Primary RSA Academy

Holyhead School joined the Central Region Schools Trust (known up to 9th August 2021 as the Central RSA Academies Trust) on 1<sup>st</sup> January 2022, so that all the RSA-designated schools are now in the same trust. Two further schools, Arrow Valley First School and Waseley Hills High School, joined the Central RSA Academies Trust (Central Region Schools Trust) on 1<sup>st</sup> April and 1<sup>st</sup> November 2021 respectively, but in the light of RSA Academies' plan to withdraw from academy sponsorship on 31<sup>st</sup> March 2022, these were not designated as RSA schools and so no activity took place with those schools.

RSA Academies has aimed to promote an inspirational education for all pupils which relates their learning to the wider world, provides experiences which broaden horizons, and enables children and young people to develop the skills needed for success and personal fulfilment. In our classrooms young people have been asked to be creative, imaginative and practical, challenged to be the best they can be, and encouraged to show initiative, enthusiasm and leadership skills.

## **Our approach**

Our approach has been based on a partnership of equals between RSA Academies and the schools in the RSA Family of Academies. RSA Academies has operated as an umbrella trust, rather than a multi-academy trust, working with a network of locally based academies.

This means that the individual schools within the group have been able to share ideas and provide support and challenge to one another, whilst also retaining the autonomy and flexibility to take decisions that meet the needs of their own local communities.

## **Our areas of focus**

The schools within the RSA Family of Academies have focused on five key areas: -

*A: Children love to learn and achieve:* children will make excellent progress in their learning throughout their school career and develop a love of learning and confidence in their ability to do new things that stays with them into adult life.

*B: Children are creative and turn their ideas into action:* children will have access to high quality art and design projects and opportunities, to work creatively and on projects that are relevant to the real world, across all subject areas.

*C: Connections with the world beyond the school gate:* children will develop a wide range of skills and knowledge of the world beyond the school gate to enable them to thrive in their continuing education, the world of work and society.

*D: Support for health and well-being:* RSA Academies are inclusive schools that welcome and support all children and give priority to their health and well-being alongside their academic progress. We recognize that many children will at certain times have difficulties in their lives out of school that may cause a barrier to learning. Our schools strive to work with the child, their family, and other agencies as needed to ensure that all children have the support they need to achieve their full potential.

*E: Staff are inspired to be confident and creative:* teachers are encouraged and challenged to be creative, engage with relevant research, and be confident in testing out new approaches to enrich children's learning. They will have opportunities to engage with and contribute to the wider work of the RSA. Through the RSA Academies' Teaching School Alliance (now Teach Central) all staff will have access to an exceptional programme of continuous professional development and learning opportunities, and a supportive environment in which to develop.

## **RSA ACADEMIES TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2022**

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RSAA staff had regular contact with teachers who have responsibility within their own academy for the three key RSAA themes or 'Commitments': (i) Arts, Culture and Creativity; (ii) the World beyond School; and (iii) Wellbeing and Mental Health. These discussions have focused on the sharing of good practice and the co-design of projects and have acted as a forum for the exchange of ideas and future planning.

### **Structure, governance and management**

The company is limited by guarantee and is governed by its Articles of Association. The Articles provide for up to eight trustees, two appointed by the RSA (including the Chair) and two drawn from the schools (one principal, one governor). The other trustees are appointed by a Nominations Panel of the RSA Academies' Board of Trustees based on their skills and experience. There is also provision for up to three co-optees.

During 2021/22 the RSA Academies' Board of Trustees has met four times, including an annual general meeting. Three meetings were held online because of Covid-19 restrictions. The Executive Director attends all Board Meetings.

In 2021/22 RSA Academies employed the services of an accountancy company to support financial management and reporting. The RSA Academies Board of Trustees is served by two sub-committees, one for Finance and Risk and one for School Performance Review to ensure appropriate consideration is given to these areas.

RSAA Academies operates as an umbrella trust and has worked with nine academies. All academies form the Central Region Schools Trust (formerly called Central RSA Academies Trust up to 9<sup>th</sup> August 2021).

The Charity does not employ any staff directly. As set out in Note 10 of the Financial Statements, staff time is recharged by the parent Company, The Royal Society of Arts, Manufactures and Commerce. Therefore, there is to disclosure in these Financial Statements for the total salaries of Key Management Personnel

### **ACHIEVEMENT AND PERFORMANCE IN 2021/22**

Activity was significantly disrupted or limited during 2021/22 on account of the continuing impact of the Covid-19 pandemic on schools,) and the decision by the RSA to withdraw from the academies project with effect from 31<sup>st</sup> March 2022. Nearly all RSAA's activities with schools were concluded by 31<sup>st</sup> August 2021 following consultation with school leaders. The period from September 2021 to March 2022 was mainly inactive except for some residual actions relating to previous projects. During the period of activity up to 31<sup>st</sup> August 2021, some activity was scaled back because of the need (on account of Covid-19) to reduce contact between students, restricting the possibility of working across groups and schools. Much of this activity took place on-line where this was feasible. RSAA formally ceased its activities on 31<sup>st</sup> March 2022.

### **Children love to learn and achieve**

Securing the best possible learning experiences for pupils remained a priority. At the end of the financial year, six schools in the RSA-designated group were rated either 'good' or 'outstanding' by Ofsted. Three other schools had not been inspected since joining the Central Region Schools Trust (formerly Central RSA Academies Trust). Of these, one was previously rated as 'good', one as 'requiring improvement' and one as 'inadequate'.

In 2021/22, despite the significant challenges we remained in regular contact with our schools, offering support where possible. We continued to work with schools to sustain the implementation of the Commitments for Arts, Culture and Creativity, the World Beyond School and Wellbeing and Mental Health.

### **Children are creative and turn their ideas into action**

The annual RSAA Artsfest took place virtually on 6th July 2021 and was school based. The theme was 'Finding Connections'. Michal Piotrowski and Niamh Meehan designed the event around poetry and performance. Seven schools participated with overall approximately 270 students taking part, each school with its own facilitator. The day was structured into four sections: visual poetry; collage poetry; performance skills ('off the page and into your body') and an open mic session. All the students taking part received an anthology from the day and there was a virtual exhibition of collage poems.

The RSAA Contemporary Art Space (CAS) project (in partnership with the visual arts organisation, Iniva), which was launched in September 2019, entered its third year of operation. This project was concerned with participatory art-making and was designed to explore young people's sense of identity through co-commissioning artworks in response to social issues. In the project's first year, three artists were commissioned to produce artworks for three schools, (i) Laurie Ramsell (Abbeywood

## **RSA ACADEMIES TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2022**

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First, *Silhouettes of Sound*); (ii) Rudy Loewe (Holyhead, *The Depths of our History*); and (iii) Nilupa Yasmin (Arrow Vale, *We Start Here*). The artworks then become a focus for student and community engagement. The overall theme of the project was "oracy". These artworks have now moved on to the 'touring' phase: *Silhouettes of Sound* has relocated to Sutton Park; *The Depths of our History* to Arrow Vale; and *We start here* to St Stephen's. Resources and professional development opportunities were provided to the receiving schools to assist in catalysing the impact of the artworks for educational purposes.

In the project's second year, three further artists were commissioned and introduced to work with our schools: Haseebah Ali (Abbeywood First), De'Anne Crooks (Holyhead), and Toni Lewis (RSA Academy, Tipton). Each school completed an 'ArtLab' with the artist, who has then worked with the school to turn students' ideas into art.

A further resource relating to 'Holyhead Stories' (supported by a Community Fund) was produced by artist De'Anne Crooks and curator Josie Reichert, with several responses (poems) received from the students.

Our partners, Iniva, have taken over the management of the Contemporary Art Space project. An evaluation of the project was carried out by Art of Regeneration, looking at the project model and impact.

Two Royal Designers for Industry (RDIs) worked with the Central Region Schools Trust to support the development of the Design and Technology curriculum.

### **Connections with the world beyond the school gate**

The World beyond School Commitment extended its focus beyond careers onto personal development, character education and active citizenship (social action).

The RSA4 Primary Social Action project for Year 4 pupils (which was launched in January 2019) faced further delays because of the difficult C-19 context but was able to resume in virtual format during the Spring and Summer Terms. The aim of RSA4 was for pupils to learn how to lead a social action project through a series of structured workshop activities. In view of the difficulties of in-school delivery, we produced online resources to support home-based learning.

The RSA4 project involved both primary-phase RSA schools and four partner schools with external partners Epic Steps CIC and Green Schools Project CIC. Workshops were 'live streamed' into classrooms allowing whole Year 4 classes to participate in the activities. The project reached 307 Year 4 pupils across 8 schools.

The series of structured workshop activities aimed to develop skills relating to leadership, teamwork, communication, problem-solving, civic self-efficacy and social responsibility. Over the summer term students led their own social action projects culminating in an online celebration event at the end of the academic year.

The projects included raising awareness of racism; organising a fundraising campaign and collecting items for local foodbanks/homelessness charities; creating kindness postcards to tackle loneliness; and creating new spaces for nature.

Pupil feedback indicated that 78% of pupils thought that the most important part of social action is making a difference to people and our planet; 83% thought they can make a real difference in our world; and 84% wanted to continue making a difference.

Alongside these activities, RSAA staff and the RSA education team conducted interviews with teachers to research the challenging and enabling factors of social action in a primary setting. Their report, *Citizens of Now: High-quality youth social action in primary schools* was launched at an event at RSA House on 23rd November 2021.

Epic Steps CIC delivered two structured workshops (a virtual careers conference) during the summer term for approximately 350 Year 5 students at Church Hill, Sutton Park and Oldbury Park RSA Academies. These explored leadership, career opportunities, and 'people and planet' (innovation and decision-making that supports communities and the environment). Students discussed how being creative and thinking responsibly about the future of work will lead to a positive impact on communities and the environment and how developments in the 'circular economy' (currently a focus of the RSA's work) can lead to a new 'greener economy' and ways of working.

This year, the RSA8 social action project (for Year 8 students) also encountered continued disruption, with small groups participating in online activity. RSA8's recent focus was on sharing the stories of local people doing amazing things in their communities during lockdown ('Lockdown Legends'). Students took part in workshops on leadership, teamwork and communication, the second of which was led by a local journalist who discussed the elements of news reporting. Students then worked on their own newsletters and shared these with peers in the late summer term

# **RSA ACADEMIES TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2022**

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Up to 31<sup>st</sup> August 2021, we continued the cross-family careers coordinator post, based at RSA Academy, Tipton.

## **Inclusive schools that meet the needs of the whole child**

This was a relatively new area of focus for RSA Academies because of concern from our schools over the mental health and wellbeing of students and staff. This issue became especially acute since the pandemic has caused much disruption to young people's lives. Our schools continued to benefit from the work carried out as part of the programme *A Comprehensive Approach to Mental Health in Schools* (2017/18).

We were delighted to learn that Krystal Douglas had been awarded her PhD by the University of Warwick. During her short placement with several of our schools last year, Krystal used her research on how friendships and families influence career choices to create workshops and resources. The themes of her work are aspiration and wellbeing and how these influence pupils' perceptions of themselves and their future.

## **Staff are inspired to be confident and creative**

Excellent teaching is dependent on strong teaching staff. The quality of teaching is currently rated by Ofsted as good or outstanding in six of the schools.

Up to 31<sup>st</sup> August 2021, RSAA continued to support the work of the RSA Academies Teaching School Alliance (TSA). This continued to be successful in delivering initial teacher training through Schools Direct, with 100% completion rates for both primary and secondary cohorts. The TSA continued to support system leadership through National and Special Leaders of Education working with a wider group of schools.

The RSAA TSA was renamed as Teach Central at the beginning of the 2021 autumn term and continues to provide professional development opportunities to many staff.

Teach Central continues the 'family' ethos of RSA academies and helps encourage the retention of staff more generally who identify with the values inherited from the RSA.

## **Communications**

RSAA issued Newsletters at the beginning of every term to our schools up to the 2021 summer term. Our website was also updated to include the latest information on aspects of our work, and to include a statement about the plan to cease all activity on 31<sup>st</sup> March 2022

## **The Impact of COVID-19**

Our work was again restricted because of safety considerations and the need for social distancing. We were very conscious of the challenges facing our schools in managing the situation and were supportive in accommodating their needs. Wherever possible measures were taken to deliver projects in virtual format but without the normal cross-school engagement on account of the need to maintain discrete groups of pupils or 'bubbles'. Our schools welcomed the opportunity to continue with the enrichment activities that RSAA provided.

RSAA did not suffer any financial detriment because of Covid-19. The RSA and our schools continued to meet their financial obligations under the various Memoranda of Understanding.

RSAA brought its school-based activities to a close at the end of the 2020/21 academic year, leaving the period from September 2021 to March 2022 inactive in the light of the decision to end the current governance relationships with the schools with effect from 31<sup>st</sup> March 2022.

## **Future Arrangements and Plans**

RSA Academies officially ceased trading on 31<sup>st</sup> March 2022 following the Board of the RSA's decision (in May 2020) not to renew its current Memorandum of Association with RSA Academies when this expired on that date. , The Licenses from the RSA to the academies also expired on 31<sup>st</sup> March 2022. RSAA also resigned its role as the Principal Sponsor of the Central Region Schools Trust (formerly Central RSA Academies Trust) from this date, bringing the former governance arrangements to an end.

# **RSA ACADEMIES TRUSTEES' REPORT (Continued) FOR THE YEAR ENDED 31 MARCH 2022**

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RSAA brought its practical work with schools to an end with effect from the end of the summer term 2021. The period from September 2021 to March 2022 was left 'fallow' except for some very limited residual activity. RSAA's staff were either redeployed within the RSA or made redundant over the period September to November 2021.

Following consultation with the schools, a transition plan was agreed between RSAA Academies and the RSA and schools for the financial year 2021/22. The agreed plan reduced the membership fees from schools to 33% of the normal fee payable *pro rata* for the five months from April to August 2021 with no fees payable for the period from September 2021 to March 2022. This concession recognized RSAA's reduced activity during 2020 and 2021 on account of the pandemic and the plan to cease activity by the end of August 2021. RSAA also agreed to relinquish its grant from the RSA for the period from September 2021 to March 2022. These reductions in income are reflected in the Financial Statements.

The RSA and RSAA have agreed with the academies time-limited transitional arrangements for branding and the use of the RSA name/logo after the expiry of the MoU and Licences on 31<sup>st</sup> March 2022. These were set out in a formal 'letter of intent' issued by the RSA to the schools in September 2021

RSAA has used its reserves to manage the winding down of activity and its financial commitments up to the end of the financial year 2021/22 and the closure of the company. Following approval by the Charity Commission and legal advice, RSAA transferred the remaining funds at the company's closure to the RSA to support its broader programme of work with schools.

The RSA aims to work with a larger number of schools, and hopes the schools formerly associated with RSAA will maintain links with the RSA as a way of building on RSA Academies' legacy.

## **Statement of Public Benefit**

The Trustees confirm that they have complied with the duty 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 charity.

The benefits of our activities are described in this Annual Report, which incorporates our Impact Report, and relate directly to our aims and objectives.

The Trustees confirm that in planning the activities of RSA Academies they have given careful consideration to the Charity Commission's general guidance on Public Benefit.

## **FINANCIAL REVIEW**

### **Overview**

We are reporting total funds available of £Nil at the end of the 2021/22 financial year (2020/21: £115,364).

### **Income**

Our income in 2021/22 was £60,595 (2020/21: £236,505). This includes a core grant of £41,667 from the RSA and the remainder represented mainly by membership fees.

### **Expenditure**

We spent £175,959 in 2021/22 (2020/21: £225,002). The achievement and performance section describes what was achieved as a result of this expenditure.

### **Reserves policy**

The Trustees adopted a reserves policy which they considered appropriate to ensure the continuing ability of RSA Academies to meet its objectives and obligations up to closure.

RSA Academies formally closed its activities on 31st March 2022 and used its reserves during the 2021/22 financial year to manage the cessation of activities. Cash held at 31st March 2022 was used to meet the remaining costs of closing the company, which have all been accrued into the 2021/22 financial statements. In August 2022 those costs were fully paid and, with the Charity Commission's approval, the remaining bank balance of £12,843 was paid as a restricted donation to the parent company in August 2022.

**RSA ACADEMIES**  
**TRUSTEES' REPORT (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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## Statement of Trustees' responsibilities

The law applicable to charities in England and Wales requires the 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 end of the year. In preparing financial statements giving a true and fair view, 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 FRS 102 (2019);
- make judgements 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 the 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 sufficient 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 for the prevention of detection of fraud and other irregularities,

Approved by the Board on 16 Sep 2022

and signed on its behalf by:



John Towers (Sep 16, 2022, 3:13pm)  
Trustee



Peter Fell (Sep 16, 2022, 3:02pm)  
Trustee



# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RSA ACADEMIES**

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## **Opinion**

We have audited the financial statements of RSA Academies (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure account), the Charitable Company Balance Sheet, the statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Emphasis of matter – basis of preparation**

We draw attention to Note 1 to the financial statements, which explains that the directors have ceased trading at 31 March 2022 and intend to close the charitable company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

## **Other information**

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

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

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RSA ACADEMIES (Continued)**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

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

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

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RSA ACADEMIES (Continued)**

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We gained an understanding of the legal and regulatory framework applicable to the Charitable Company and the sector in which it operates, and considered the risk of the Charitable Company not complying with the applicable laws and regulations including fraud in particular those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charitable Company this included compliance with the Companies Act 2006 and Charities Act 2011.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management and officers of the Charitable Company. We also undertook a review of legal fees during the period.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustment for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is the risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involved intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

### **Use of our report**

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



Michael Cooper-Davis FCCA ACA  
(Senior Statutory Auditor)

For and on behalf of

**Price Bailey LLP**

Chartered Accountants

Statutory Auditors

24 Old Bond Street

London

W1S 4AP

Date: 16 September 2022

**RSA ACADEMIES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including an Income and Expenditure account)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Year to 31 March 2022 £	Year to 31 March 2021 £
<b>INCOME</b>					
Donations and legacies: Grant from RSA		41,667	600	42,267	100,251
Income from Charitable activities:					
Academy membership & activities		18,328	-	18,328	136,254
<b>TOTAL INCOME</b>		<b>59,995</b>	<b>600</b>	<b>60,595</b>	<b>236,505</b>
<b>EXPENDITURE</b>					
Expenditure on Charitable activities	2	174,449	1,510	175,959	225,002
<b>TOTAL EXPENDITURE</b>		<b>174,449</b>	<b>1,510</b>	<b>175,959</b>	<b>225,002</b>
Net (expenditure)/ income		(114,454)	(910)	(115,364)	11,503
Transfers between funds	8	(910)	910	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(115,364)</b>	<b>-</b>	<b>(115,364)</b>	<b>11,503</b>
TOTAL FUNDS BROUGHT FORWARD		115,364	-	115,364	103,861
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>115,364</b>

All income and expenditure is derived from discontinued activities. For further details, see Note 12.

**RSA ACADEMIES (registered company number 07761509)****BALANCE SHEET****AS AT 31 MARCH 2022**

	Note	31 March		31 March	
		2022		2021	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	6	2,270		5,438	
Cash at bank and in hand		23,153		123,042	
		<u>25,423</u>		<u>128,480</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	7	(25,423)		(13,116)	
<b>NET CURRENT ASSETS</b>			-		115,364
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			-		115,364
<b>NET ASSETS</b>			-		115,364
<b>FUNDS</b>					
General fund	8	-		79,364	
Designated fund	8	-		36,000	
			-		115,364
Restricted funds	8		-		-
			-		115,364

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. They were approved, and authorised for issue, by the directors on 16 Sep 2022 and signed on their behalf by:



John Towers (Sep 16, 2022, 3:13pm)  
Trustee



Peter Fell (Sep 16, 2022, 3:02pm)  
Trustee

**RSA ACADEMIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Year to 31 March 2022		Year to 31 March 2021	
	£	£	£	£
<b>Cash flows from operating activities:</b>				
Net (expenditure) / income for the year	(115,364)		11,503	
Adjustments for:				
Decrease in debtors	3,168		9,544	
Increase / (decrease) in creditors	12,307		(5,288)	
<b>Net cash (used in) /provided by operating activities</b>		<b>(99,889)</b>		<b>15,759</b>
Change in cash and cash equivalents in the year		<b>(99,889)</b>		<b>15,759</b>
Cash and cash equivalents at the beginning of the year		<b>123,042</b>		<b>107,283</b>
Cash and cash equivalents at the end of the year		<b>23,153</b>		<b>123,042</b>

**Analysis of changes in net debt**

	Brought forward 1 April 2021 £	Cash flows £	Carried forward 31 March 2022 £
Cash at bank and in hand	123,042	(99,889)	23,153
	<b>123,042</b>	<b>(99,889)</b>	<b>23,153</b>

**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. ACCOUNTING POLICIES**

**CHARITY INFORMATION**

RSA Academies is a private limited company limited by guarantee (registered number 07761509) which is incorporated and domiciled in England. The address of the registered office is 8 John Adam St, London, WC2N 6EZ. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member. The sole member of the Charitable Company is the Royal Society for the encouragement of the Arts, Manufactures and Commerce (the RSA), a charity registered in England & Wales no. 212424 and in Scotland no. SC037784. Their registered office address and principal place of business is 8 John Adam Street, London WC2N 6EZ.

**BASIS OF PREPARATION**

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore has also prepared the financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

There are no key judgements used in the preparation of these financial statements. There are no key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**GOING CONCERN**

RSA Academies formally closed its activities on 31st March 2022. Cash held at that date was used after the year end to meet the remaining costs of closing the company, which have all been accrued into the 2021/22 financial statements. By August 2022 those costs were fully paid and, with the Charity Commission's approval, the remaining bank balance of £12,843 was paid to the sole member The Royal Society for the encouragement of the Arts, Manufactures and Commerce (RSA). The transfer was made in August 2022 through a restricted donation, whereby the initial objectives of the funding received will continue to be adhered to once transferred, even after RSA Academies has been dissolved.

As a result of this, the financial statements have been prepared on a basis other than that of a going concern, which has not resulted in any adjustments in respect of writing down assets as assets are currently measured at the lower of cost and net realisable value in line with the established accounting policies. There is no provision for contractual commitments that have become onerous at the balance sheet date as there are no items that fall under this category.

**FUNCTIONAL CURRENCY**

The functional currency of RSA Academies is pounds sterling as this is the currency of the primary economic environment in which the charity operates. The financial statements are also presented in pounds sterling.

**FUND ACCOUNTING**

Unrestricted (General) funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**INCOME**

Income is recognised and included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the income;
- the trustees consider the receipt of the income as probable; and
- the monetary value can be measured with sufficient reliability.

**Income with related expenditure**

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SoFA.

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the income.

**Donated services and facilities**

These are only included in income (with an equivalent amount in expenditure) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

**EXPENDITURE AND LIABILITIES**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay.

**FINANCIAL INSTRUMENTS**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. All other assets and liabilities are recorded at cost which is their fair value.

**DEBTORS**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2. EXPENDITURE**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Year to 31 March 2022</b>	<i>Year to 31 March 2021</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grant to parent charity (see Notes 10 and 12)	<b>12,843</b>	-	<b>12,843</b>	-
Other direct costs	<b>117,017</b>	<b>1,510</b>	<b>118,527</b>	<i>186,528</i>
Support costs (see Note 3)	<b>44,589</b>	-	<b>44,589</b>	<i>38,474</i>
	<b><u>174,449</u></b>	<b><u>1,510</u></b>	<b><u>175,959</u></b>	<i><u>225,002</u></i>

In the year to 31 March 2022, direct costs included £1,510 of restricted expenditure, and all support costs were unrestricted.



**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**3. SUPPORT COSTS**

	Year to 31 March 2022 £	Year to 31 March 2021 £
<b>Governance</b>		
Audit fee	4,065	4,200
	<u>4,065</u>	<u>4,200</u>
<b>Other support costs</b>		
Staff costs recharged by RSA relating to support activities	13,483	22,628
Room hire and catering	320	-
Insurance	3,663	1,611
Staff travel and expenses	229	79
IT costs	2,365	2,049
Training	-	232
Accountancy	7,120	7,080
Other professional fees	12,485	13
Bank charges	859	582
	<u>44,589</u>	<u>38,474</u>

**4. TRUSTEES**

During the year, no trustee received any remuneration. No trustees were reimbursed travel and subsistence expenses. (2021: no trustees were reimbursed expenses).

In addition, the charity purchased trustees indemnity insurance policy at a cost of £2,898 (2021: £1,549).

**5. PAID EMPLOYEES**

The charity has no employees.

Staff working for the charity were employed by RSA and costs were invoiced to RSA Academies.

No charges were made for an employee of the RSA who is also a Trustee of RSA Academies.

**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**6. DEBTORS**

	<b>31 March</b>	<i>31 March</i>
	<b>2022</b>	<i>2021</i>
	<b>£</b>	<i>£</i>
<b>Due within one year</b>		
Prepayments	-	<i>1,133</i>
Sundry debtors	<b>2,270</b>	<i>4,125</i>
Accrued income	-	<i>180</i>
	<u><b>2,270</b></u>	<u><i>5,438</i></u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31 March</b>	<i>31 March</i>
	<b>2022</b>	<i>2021</i>
	<b>£</b>	<i>£</i>
Trade creditors	<b>4,560</b>	<i>7,316</i>
Accruals	<b>8,020</b>	<i>5,800</i>
Grant to parent charity (see Notes 10 and 12)	<b>12,843</b>	<i>-</i>
	<u><b>25,423</b></u>	<u><i>13,116</i></u>

**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8. SUMMARY OF FUNDS**

**Summary of funds in the current year**

	Brought forward 31 March 2021 £	Income £	Expenditure £	Transfers £	Carried forward 31 March 2022 £
Restricted fund:					
Contemporary Arts Space Project	-	600	(1,510)	910	-
	-	600	(1,510)	910	-
General fund	79,364	59,995	(174,449)	35,090	-
Designated fund: Investment fund	36,000	-	-	(36,000)	-
	<u>115,364</u>	<u>60,595</u>	<u>(175,959)</u>	<u>-</u>	<u>-</u>

**Detail of restricted funds:**

The Contemporary Art Space Project was set up to grow an arts and culturally rich learning environment in RSA schools through the pupil-led commissioning of artworks linked to oracy, and give pupils the opportunity to work with an artist and develop critical thinking skills by engaging with social issues. A transfer of £910 has been made from the general fund to cover the deficit on the restricted fund in the year.

**Detail of designated fund:**

The Investment fund was created for the purpose of supporting RSA Academies with greater potential to lever external funds from trusts and foundations by establishing a pot that could be used for match funding.

**Detail of general fund:**

General funds were used for delivery against the overall objectives of the charity.

**Analysis of net asset between funds**

All funds at the year end 31 March 2022 are unrestricted and represented by net current assets.

**Summary of funds in the prior year**

	Brought forward 31 March 2020 £	Income £	Expenditure £	Transfers £	Carried forward 31 March 2021 £
Restricted fund:					
Contemporary Arts Space Project	5,865	-	(5,865)	-	-
	5,865	-	(5,865)	-	-
General fund	50,996	236,505	(208,137)	-	79,364
Designated fund: Investment fund	47,000	-	(11,000)	-	36,000
	<u>103,861</u>	<u>236,505</u>	<u>(225,002)</u>	<u>-</u>	<u>115,364</u>

**Analysis of net assets between funds in the prior year**

All funds at the year end 31 March 2022 were unrestricted and represented by net current assets.

**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**9. STATEMENT OF FINANCIAL ACTIVITIES - PRIOR YEAR**

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Year to 31 March</i>
	<i>2021</i>	<i>2021</i>	<i>2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>
<b>INCOME</b>			
Donations and legacies: Grant from RSA	100,251	-	100,251
Income from Charitable activities:			
Academy membership & activities	136,254	-	136,254
<b>TOTAL INCOME</b>	<u>236,505</u>	<u>-</u>	<u>236,505</u>
<b>EXPENDITURE</b>			
Expenditure on Charitable activities	219,137	5,865	225,002
<b>TOTAL EXPENDITURE</b>	<u>219,137</u>	<u>5,865</u>	<u>225,002</u>
Net income / (expenditure)	17,368	(5,865)	11,503
<b>NET MOVEMENT IN FUNDS</b>	<u>17,368</u>	<u>(5,865)</u>	<u>11,503</u>
TOTAL FUNDS BROUGHT FORWARD	97,996	5,865	103,861
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>115,364</u></u>	<u><u>-</u></u>	<u><u>115,364</u></u>

**10. ULTIMATE PARENT UNDERTAKING AND RELATED TRANSACTIONS**

The ultimate parent undertaking and sole member of the Charitable Company is the Royal Society for the encouragement of the Arts, Manufactures and Commerce (the RSA), a charity registered in England & Wales no. 212424 and in Scotland no. SC037784. Their registered office address and principal place of business is 8 John Adam Street, London WC2N 6EZ.

In the year to 31 March 2022, the RSA made unrestricted grants of £41,667 to the Charity (2021: £100,000).

In the year to 31 March 2022, the RSA charged the Charity £110,227 in staff time (2021: £164,457), and a further £2,640 for shared service costs at the Charity's office (2021: £6,182).

Following the wind up of the charity after the year end, the net assets of the charity at 31 March 2022 of £12,843 (as accrued in Note 7) were distributed to the ultimate parent undertaking.

**11. OTHER RELATED PARTIES**

Transactions with the ultimate parent are disclosed in note 10. There were no other related party transactions in the year.

**RSA ACADEMIES**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**12. POST BALANCE SHEET EVENTS**

As detailed further in the Trustees' Annual report and the Going Concern accounting policy in Note 1, RSA Academies formally closed its activities on 31st March 2022. All liabilities outstanding at 31 March 2022 were settled after the year end. With the Charity Commission's approval, the remaining bank balance of £12,843 was paid as a restricted donation to the parent company in August 2022.