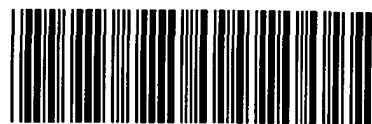


**Group Strategic Report,
Report of the Trustees and
Audited Consolidated Financial Statements
for the Year Ended 31 December 2022
for
Royal Society of Sculptors**

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COMPANIES HOUSE

Royal Society of Sculptors

Contents of the Consolidated Financial Statements for the Year Ended 31 December 2022

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Royal Society of Sculptors

**Reference and Administrative Details
for the Year Ended 31 December 2022**

TRUSTEES

L Ford PRSS (President) (appointed 17.5.2022)
A Tebbenhoff VPRSS (Vice President)
C E Burnett (resigned 17.5.2022)
K Ashton (resigned 17.5.2022)
E V Sassoon
A R E Stephens FRSS
R E Olins FRSS (resigned 17.5.2022)
W N Price
G B Watson
N Anthony MRSS
M L Burch (Treasurer)
S Hitchens FRSS
M J Richards FRSS
B Beyer MRSS (appointed 17.5.2022)
R A Newnham FRSS (appointed 17.5.2022)

COMPANY SECRETARY

C Worthington

REGISTERED OFFICE

108 Old Brompton Rd
London
SW7 3RA

**REGISTERED COMPANY
NUMBER**

00083239 (England and Wales)

**REGISTERED CHARITY
NUMBER**

212513

SENIOR STATUTORY AUDITOR Gareth Owen Hughes BSc ACA

INDEPENDENT AUDITORS

Garside and Co. Limited
Chartered Accountant & Statutory Auditor
Suite 631, Linen Hall
162-168 Regent Street
London
W1B 5TG

Royal Society of Sculptors

Group Strategic Report for the Year Ended 31 December 2022

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Aims and Objectives

The Royal Society of Sculptors is an artist led, membership organisation. We support and connect sculptors throughout their careers and lead the conversation about sculpture through exhibitions and events.

The Society was created more than 100 years ago to champion contemporary sculpture and the artists who create it. Today the Royal Society of Sculptors welcomes everyone interested in exploring this art form and its many possibilities.

The following aims were identified by the Board in late 2017:

Aim 1 Service development

o Address the needs of sculptors

As we emerged from the pandemic years, we continued to support and connect our members. During the course of the year we worked with David Dawson from the University of Gloucester to develop Creative Enterprise Workshops for members. Funded by the Erasmus+ HEART project, the workshops will be delivered in early 2023 and are designed to support members in building, sustaining and strengthening their practices through enterprise.

Behind the Studio Doors shone a spotlight on members working internationally as we explored their studios and practice. Initially live streamed to members only, the hour-long films are now available via our website.

We were delighted to develop two new member-only opportunities this year. We worked in partnership with Broomhill estate in North Devon on "In Harmony", a show of work by 17 members across the five-acre woodland and water gardens. Each sculpture has a bespoke planting scheme which compliments the work's aesthetic and philosophy.

The Marchmont Makers Foundation offered a Marchmont House residency opportunity at the Tower Studio. Billie Bond MRSS was selected, but the judges were so impressed by the applications that they awarded a second, shorter residency to David Aston MRSS.

Our regional and international zoom meetings continued fostering a great sense of community among the membership resulting in a show at Chichester Cathedral called "Together We Rise" curated by visual arts advisor, Jacqueline Creswell.

o Create services that meet the needs of non-members and raise the profile of the Society

With Dora House closed, our limited exhibition programme moved to nearby Cromwell Place. The Gilbert Bayes Award (GBA) 2021 cohort show was curated by curator and writer Aicha Mehrez and was seen by 342 people during its two-week run-in March. The ever-popular GBA slam took place on the evening of Tuesday 22 March.

The summer show was selected by curator and cultural producer, Isabel de Vasconcellos. Twenty five members had work chosen and 267 people visited over the course of the week-long exhibition.

We participated in London Craft Week in May with an on-line talk in partnership with Cavaliero Finn by Ikuko Iwamoto and, as part of our arrangement with the defunct Public Monuments and Sculptures Association, we honoured our commitment to host the Ben Read Memorial Lecture which was given by Cal Mac at the Art House in Wakefield in October.

Royal Society of Sculptors

Group Strategic Report for the Year Ended 31 December 2022

OBJECTIVES AND ACTIVITIES

Aims and Objectives – continued

Aim 2 Business and marketing development

o Increase art world and public understanding and awareness of the Society

We participated in International Women's Day in March with an on-line conversation between two Presidents Clare Burnett and Philomena Davidson.

In June we partnered with Queen's Gate School to participate in the returning Great Exhibition Road Festival.

During the course of the year, our Director was on the road giving talks about the Society and our work to the Boltons Association and Latymer Upper School. She was also one of the Wollaston prize judges for the Royal Academy's Summer Exhibition.

o Achieve sustainability

Our growing room hire business was paused this year, so we turned our attention to expanding membership of our Suppliers' Circle - a group of relevant industry specialists which support the Society and engage with our members.

We joined with our local friends and neighbours in the cultural and educational organisations across South Kensington to work together to accelerate work towards being zero carbon and nature positive. The ambitious project called South Ken Zen+ is funded by The Royal Commission for the Exhibition of 1851. Our Director took part in conversations, contributed to research and participated in the sustainable travel working party.

Aim 3 Building development

o Improve our building to be fit-for-purpose

The year was dominated by our Saving Dora House project which restored and repaired the roof and façade of Dora House.

Work began in earnest in January with contractors taking over the ground floor spaces and the sculpture terrace. Once the scaffold had been erected it became obvious that the initial £650k budget and six-month timescale were not enough. The building was resurveyed during which we discovered the stonework and ledges of the third-floor windows and the glazing itself were all damaged beyond repair. At roof level the decorative stone was so loose a strong gust of wind could have dislodged it causing serious harm and when we removed the decorative metal balconies, the stonework gave way. To rectify these significant issues cost a further £250k and pushed the timetable out to 12 months. Remarkably, the building committee chaired by Gordon Watson and drawn from the Board met every two weeks online for 18 months to oversee the project to its conclusion in November.

Throughout the project we kept our members and supporters updated with a series of short films about the master craftsmen and materials involved from bricks to metal to wood and stone.

We celebrated our achievement with a series of events in early December, welcoming first our key funders without whom the project would not have been possible. They are: Deborah Loeb Brice Donor Advised Fund, Mirisch & Lebenheim Charitable Fund, Garfield Weston Foundation, Foyle Foundation, Barrie Roman and Henry Richardson, The Royal Borough of Kensington & Chelsea, Heritage of London Trust, Katherine Ashton, North Street Trust, Woolbeding Charity, Paul S Zuckerman, The Ironmongers' Company, Paul & Louise Cooke Endowment, The Finnis Scott Foundation, Pennycress Trust, Masons Company Charitable Trust and SRO Motorsports Group.

Our thanks must also go to all those involved: our conservation architects Purcell, our project managers and cost controllers FOCUS, the principal contractor PAYE, Stand engineers, HG Matthews brickworks, George James & Sons Blacksmiths and North Kent Joinery. Orphans Press were responsible for the Saving Dora House brand.

Royal Society of Sculptors

Group Strategic Report for the Year Ended 31 December 2022

OBJECTIVES AND ACTIVITIES

Aims and Objectives - continued

Aim 4 Organisational development

o Achieve and embed good governance of charity

81 members attended the AGM which was once again held via zoom on Tuesday 17 May. Our guest speakers were Adam Prideaux of Hallett Independent and Jake McCanney from Hiscox who spoke about cyber risks.

Our President, Clare Burnett, stood down at the end of her term of office and was warmly thanked by members. Laura Ford was elected as the Society's new President.

We continued our work around diversity supported by Alex Marshall of Spot the Gap and championed at Board level by Nicola Anthony MRSS. During the course of the year, we created an annual diversity monitoring survey and analysed the results. We also created a membership survey and analysed those results. A review of the website, key communications and brand took place with an impending brand refresh in mind. Role descriptions were reviewed for both staff and volunteers and a public events checklist was devised. The Chair, Director and Board champion for equality, diversity and inclusion also undertook training around inclusivity.

o Survive transition/manage risk

The Trustees reviewed the Society's risk register at their meeting in December. The Saving Dora House project also had its own risk register.

Royal Society of Sculptors

Group Strategic Report for the Year Ended 31 December 2022

STRATEGIC REPORT

Achievement and performance

President's Report

This year being my first one as President has been a very busy and exciting one with completion of the much-needed exterior renovation of Dora House. Our Director, Caroline, has been working tirelessly to manage the building project and to raise funds, alongside managing the day-to-day business of running the Society. In difficult dusty noisy conditions Caroline has managed to do all of this with humour and a steely determination and I would like to thank her for her exceptional dedication and work for the Society.

I would also like to thank her small but perfectly formed team Maria, Lorraine and Andrea, who like Caroline are constantly looking for ways to help the members.

My thanks go to the building committee chaired by one of our Trustees, Gordon Watson, and to Clare Burnett for being such a fantastic President and making so many positive changes for the Society during her Presidency, which in turn makes my job easier.

I have been excited by the increased number of new members joining us and the breadth of their practice and also impressed by the generosity with which members share their knowledge and experience as sculptors with other members.

I would like to thank the sculptor members of the Board who go above and beyond what is asked of them by running the Zoom groups which have been so good at connecting people up and generating opportunities.

Now that the exterior of the building is secure I look forward to all of the exciting things planned for the next year that will take place in it, I look forward to seeing you there.

Laura Ford, President

Financial review

Reserves policy

The Board of Trustees has examined the Society's requirements for reserves in light of the main risks to the organisation. Our current policy is to maintain unrestricted reserves to a level sufficient to meet six months of typical operating costs. The total amount held in reserves for this purpose is £120,000. The Trustees consider this to be a prudent approach to provide sufficient funds to respond to unexpected expenses and to ensure that the support and governance costs are covered. The Board regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

Treasurer's Report

During the financial year ending 31 December 2022, the charity continued to deliver support for its members and wider access to sculpture for the general public. This is thanks to both the professional staff and the committed support of many volunteers (including external advisors assisting on a pro bono basis).

The key sources of unrestricted income were membership fees £129,333 (2021: £125,870) and rent, lettings and other trading activities £96,251 (2021: £101,128). Total unrestricted income was £251,577 (2021: £249,507). Significant progress has been made in maintaining membership income (and the proportion thereof which attracts gift aid support from HMRC).

Total restricted income was £350,606 (2021: £402,254), comprising donations including gift aid, primarily in support of the building project. This account shows a surplus of funding for the financial year.

Total resources expended in 2022 were £289,072 (2021: £314,008) of which unrestricted spending was £249,797 (2021: £256,682). The annual accounts show a surplus in funding of £313,111 (2021: £337,753) reflecting funds raised for the building project.

The Society is once again indebted to Nick Rockett for his pro bono work in preparing the accounts.

Mark Burch, Treasurer

Royal Society of Sculptors

Group Strategic Report for the Year Ended 31 December 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Society was founded in 1905 as a company limited by guarantee, not having a share capital, and its governing document is its Memorandum and Articles of Association. The governing body (between the Annual General Meetings) is the Board, which consists of the President, Vice President and up to nine other Trustees. They are also directors of the company under the terms of the Companies Act 2006. Membership of the charity is open to all professional sculptors but is selective based on the quality of the work.

Recruitment and appointment of new Trustees

The President, Vice President and the majority of the Trustees must be Members or Fellows of the charity, but the Treasurer and up to nine Trustees are not required to be sculptors. All Trustees are elected at the Annual General Meeting (AGM). They are elected for a term of three years and new Trustees take office at the end of the meeting. The President and Vice President shall each be entitled to hold office for a three-year term, until the conclusion of the third annual general meeting following the President and Vice President's respective elections. A retiring President or Vice President shall be eligible for re-election as such for a second term of three years. Following the expiry of such a second term the retiring President or Vice President shall not be eligible for re-election to such position for one year. The Treasurer shall be entitled to hold office for a three-year term, until the conclusion of the third annual general meeting following the Treasurer's election. A retiring Treasurer shall be eligible for re-election as such for a second or a third term of three years. Following the expiry of such a third term the Treasurer shall not be eligible for re-election to such position for one year.

Decision making

The Board meets four times a year and is responsible for defining the strategic vision, policy, procedures and programme, reviewing its effectiveness and delivery. Trustees are kept up to date through bi-monthly reports from the Director.

The Board works to ensure compliance with its legal duties to:

- Act in the interests of the charity
- Protect and safeguard the assets of the charity
- Act with reasonable care and skill
- Ensure the charity is accountable

The Board delegates implementation to a small team of staff (employees, freelancers and volunteers) under the direction of Caroline Worthington who is also Company Secretary. The sculptor members of the Board form the selection panel for new members.

Trustee induction and appraisal

New Board members are referred to the Charity Commission and Companies House advice about their responsibilities and an informal induction led by the President and Director takes place ahead of their first formal meeting. New Trustees are also provided with a guide which sets out their duties and responsibilities and the contribution they are expected to make during their term of office. The performance of each Trustee is reviewed annually and those standing down are invited to an exit review.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Board has reviewed the major risks and is satisfied that all possible precautions have been taken to minimise them. Internal systems and procedures are in place to control all financial transactions and ensure that all activities comply with regulations covering the health and safety of staff, volunteers and visitors to the Society.

Staff

Maria Marro-Perera joined us in April as our new Membership Manager. In May, we said goodbye to our Head of Finance, Peter Boyse as he retired to Bedfordshire and welcomed Andrea Arnold in his place. We would like to thank Sarah Turner for her work to support the summer exhibition.

Volunteers

The contribution of our volunteers is immeasurable - beyond the hours they give, their energy, enthusiasm, dedication and goodwill are vital to the Society. From our gallery guides to our Trustees, our volunteers are a precious resource and enable us to deliver the services to our membership. We are truly indebted to them.

Royal Society of Sculptors

Report of the Trustees for the Year Ended 31 December 2022

The Trustees, who are also directors of the Group ('the Society') and the charitable Company ('the Parent') present their report with the Consolidated financial statements of the Group and the charitable Company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

Please refer to the Group Strategic Report for a description of principal activity.

TRUSTEES

The Trustees shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

L Ford PRSS (President) (appointed 17.5.2022)
A Tebbenhoff VPRSS (Vice President)
C E Burnett (resigned 17.5.2022)
K Ashton (resigned 17.5.2022)
E V Sassoon
A R E Stephens FRSS
R E Olins FRSS (resigned 17.5.2022)
W N Price
G B Watson
N Anthony MRSS
M L Burch (Treasurer)
S Hitchens FRSS
M J Richards FRSS
B Beyer MRSS (appointed 17.5.2022)
R A Newnham FRSS (appointed 17.5.2022)

LEGAL STATUS

The Parent charitable company, Royal Society of Sculptors, is a company limited by guarantee. The members of the company are the Trustees named on page 1. Under the terms of the Memorandum of Association should the company be wound up and in the event of a deficiency of assets, every member undertakes to contribute not more than £2 for the payment of the company's liabilities.

PUBLIC BENEFIT

The Society's aims, objectives and activities as set out in the Group strategic Report are undertaken for the public benefit. When reviewing the aims and activities of the Society, the Board has due regard to the Charity Commission guidance on public benefit.

OUR PATRON

The Royal Society of Sculptors was first awarded royal patronage in 1911 when it was recognised for its services to the art of sculpture. We joined the nation in celebrating the Platinum Jubilee in June 2022 but were deeply saddened by the loss of our Patron, Her Majesty Queen Elizabeth II and sent condolences to the Royal Family.

GOING CONCERN

The Trustees consider there are no material uncertainties about the Group's and the charitable Company's ability to continue as a going concern. The review of the financial position, reserve levels and future plans gives Trustees confidence the Group remains a going concern for the foreseeable future.

FUTURE PLANS

Having fulfilled our duty of care to our home, we look forward to animating Dora House with exhibitions and events and welcoming visitors once again. We aspire to making Dora House fully accessible and have plans to create better more accessible toilet facilities in early 2024.

EVENTS SINCE THE END OF THE YEAR

There were no significant events since the end of the year.

FINANCIAL RISK MANAGEMENT

Please refer to the Group Strategic report for a description of the Group's financial risk management process.

Royal Society of Sculptors

**Report of the Trustees
for the Year Ended 31 December 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors Freeths LLP
80 Mount Street
Nottingham
NG1 6HH

Bankers Royal Bank of Scotland
49 Charing Cross
London
SW1A 2DX

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling, Kent
ME19 4JQ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

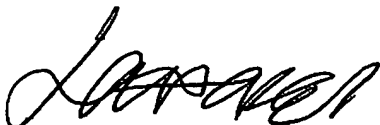
In so far as the Trustees are aware:

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

AUDITORS

The auditors, Garside and Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Trustees, incorporating a strategic report, approved by order of the board of Trustees, as the company directors, on 24 May 2023 and signed on the Board's behalf by:



.....
L Ford PRSS (President) - Trustee

Report of the Independent Auditors to the Members of Royal Society of Sculptors

Opinion

We have audited the financial statements of Royal Society of Sculptors (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company's affairs as at 31 December 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and the charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Trustees but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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 Group Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Royal Society of Sculptors

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 group's and 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.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and responding to risks of material misstatement due to fraud

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we performed procedures to address the risks of management override of controls and the risk of fraudulent revenue recognition, the risk that those in charge with management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of fixed assets and financial instruments and depreciation policies.

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Our risk assessment procedures included:

- Enquiring of those charged with management and inspection of key papers as to the policies and procedures to prevent and detect fraud, including the process for engaging management to identify fraud risks specific to the entity's sector, as well as whether they have knowledge of any actual, suspected, or alleged fraud;
- Reviewing minutes of Trustees' meetings;
- Reviewing internal risk assessment reports;
- Considering management's incentives and opportunities for fraudulent manipulation of the financial statements;
- Assessing significant accounting estimates for bias; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Charities Statement of Recommended Practice (SORPs) FRS 102.

The group and the charitable company are subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation (payroll taxes), and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statements items. As the group and the charitable company are regulated, our assessment of risks involved gaining an understanding of the

**Report of the Independent Auditors to the Members of
Royal Society of Sculptors**

control environment including the group's and the charitable company's procedures for complying with regulatory requirements. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Our procedures included:

- Discussion with those in charge with management, and from inspection of the entity's regulatory and legal correspondence;
- Discussion with those charged with management the policies and procedures regarding compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Enquiry of management, those charged with governance around actual and potential litigation and claims.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gareth Owen Hughes BSc ACA (Senior Statutory Auditor)
for and on behalf of Garside and Co. Limited
Chartered Accountant & Statutory Auditor
Suite 631, Linen Hall
162-168 Regent Street
London
W1B 5TG

Date: 24/5/23

Royal Society of Sculptors

**Consolidated Statement of Financial Activities
for the Year Ended 31 December 2022**

| | Notes | Unrestricted funds £ | Restricted funds £ | 31.12.22 Total funds £ | 31.12.21 Total funds £ |
|------------------------------------|-------|----------------------------|--------------------------|---------------------------------|---------------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and membership fees | 2 | 147,384 | 345,012 | 492,396 | 387,215 |
| Charitable activities | | | | | |
| Charitable activities | 5 | 1,531 | 2,384 | 3,915 | 48,818 |
| Other trading activities | 3 | 96,251 | - | 96,251 | 101,128 |
| Investment income | 4 | 928 | - | 928 | 36 |
| Other income | 6 | <u>5,483</u> | <u>3,210</u> | <u>8,693</u> | <u>114,564</u> |
| Total | | <u>251,577</u> | <u>350,606</u> | <u>602,183</u> | <u>651,761</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | | | | | |
| Charitable activities | 7 | <u>249,797</u> | <u>39,275</u> | <u>289,072</u> | <u>314,008</u> |
| NET INCOME/(EXPENDITURE) | | 1,780 | 311,331 | 313,111 | 337,753 |
| Transfers between funds | 19 | <u>14,574</u> | <u>(14,574)</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 16,354 | 296,757 | 313,111 | 337,753 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>1,150,115</u> | <u>650,046</u> | <u>1,800,161</u> | <u>1,462,408</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>1,166,469</u> | <u>946,802</u> | <u>2,113,272</u> | <u>1,800,161</u> |

The notes form part of these financial statements

, Royal Society of Sculptors

**Consolidated Other Comprehensive Income
for the Year Ended 31 December 2022**

| | Notes | 31.12.22 £ | 31.12.21 £ |
|---|-------|----------------|----------------|
| PROFIT FOR THE YEAR | | 313,111 | 337,753 |
| OTHER COMPREHENSIVE INCOME | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>313,111</u> | <u>337,753</u> |
| Total comprehensive income attributable to: Owners of the parent | | <u>313,111</u> | <u>337,753</u> |

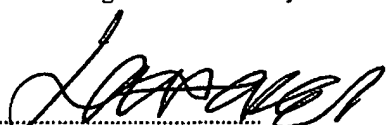
The notes form part of these financial statements

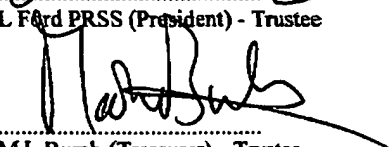
Royal Society of Sculptors (Registered number: 00083239)

**Consolidated Balance Sheet
31 December 2022**

| | Notes | 31.12.22 £ | 31.12.21 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 14 | <u>1,798,935</u> | <u>1,027,968</u> |
| | | <u>1,798,935</u> | <u>1,027,968</u> |
| CURRENT ASSETS | | | |
| Stocks | 16 | 5 | 711 |
| Debtors | 17 | 24,924 | 5,417 |
| Cash at bank and in hand | | <u>356,346</u> | <u>871,983</u> |
| | | 381,275 | 878,111 |
| CREDITORS | | | |
| Amounts falling due within one year | 18 | <u>(66,938)</u> | <u>(105,918)</u> |
| NET CURRENT ASSETS | | <u>314,337</u> | <u>772,193</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>2,113,272</u> | <u>1,800,161</u> |
| NET ASSETS | | <u>2,113,272</u> | <u>1,800,161</u> |
| FUNDS | 19 | | |
| Unrestricted funds: | | | |
| General fund | | 145,642 | 129,289 |
| Building | | 950,000 | 950,000 |
| Designated Fund | | <u>70,826</u> | <u>70,826</u> |
| | | <u>1,166,468</u> | <u>1,150,115</u> |
| Restricted funds: | | | |
| Restricted Fund | | 182,597 | 168,360 |
| Capital Fund | | <u>764,207</u> | <u>481,686</u> |
| | | <u>946,804</u> | <u>650,046</u> |
| TOTAL FUNDS | | <u>2,113,272</u> | <u>1,800,161</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 24 May 2023
and were signed on its behalf by:


.....
L Ford PRSS (President) - Trustee


.....
M L Burch (Treasurer) - Trustee

The notes form part of these financial statements

Royal Society of Sculptors (Registered number: 00083239)

**Company Balance Sheet
31 December 2022**

| | Notes | 31.12.22 £ | 31.12.21 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 14 | 4,493 | 7,819 |
| Investments | 15 | <u>1</u> | <u>1</u> |
| | | <u>4,494</u> | <u>7,820</u> |
| CURRENT ASSETS | | | |
| Stocks | 16 | 5 | 711 |
| Debtors | 17 | 1,848,061 | 1,216,209 |
| Cash at bank and in hand | | <u>301,185</u> | <u>612,459</u> |
| | | 2,149,251 | 1,829,379 |
| CREDITORS | | | |
| Amounts falling due within one year | 18 | <u>(40,473)</u> | <u>(37,038)</u> |
| NET CURRENT ASSETS | | <u>2,108,778</u> | <u>1,792,341</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>2,113,272</u> | <u>1,800,161</u> |
| RESERVES | | | |
| Retained earnings | 19 | <u>2,113,272</u> | <u>1,800,161</u> |
| | | <u>2,113,272</u> | <u>1,800,161</u> |
| Company's profit for the financial year | | <u>313,111</u> | <u>337,753</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 24 May 2023 and were signed on its behalf by:


L Ford PRSS (President) - Trustee


M L Burch (Treasurer) - Trustee

The notes form part of these financial statements

Royal Society of Sculptors

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2022**

| | Retained earnings £ | Total equity £ |
|------------------------------------|---------------------------|----------------------|
| Balance at 1 January 2021 | 1,462,408 | 1,462,408 |
| Changes in equity | | |
| Total comprehensive income | <u>337,753</u> | <u>337,753</u> |
| Balance at 31 December 2021 | <u>1,800,161</u> | <u>1,800,161</u> |
| Changes in equity | | |
| Total comprehensive income | <u>313,111</u> | <u>313,111</u> |
| Balance at 31 December 2022 | <u>2,113,272</u> | <u>2,113,272</u> |

The notes form part of these financial statements

Royal Society of Sculptors

**Company Statement of Changes in Equity
for the Year Ended 31 December 2022**

| | Retained earnings £ | Total equity £ |
|------------------------------------|---------------------------|-------------------------|
| Balance at 1 January 2021 | 1,462,408 | 1,462,408 |
| Changes in equity | | |
| Total comprehensive income | <u>337,753</u> | <u>337,753</u> |
| Balance at 31 December 2021 | <u>1,800,161</u> | <u>1,800,161</u> |
| Changes in equity | | |
| Total comprehensive income | <u>313,111</u> | <u>313,111</u> |
| Balance at 31 December 2022 | <u><u>2,113,272</u></u> | <u><u>2,113,272</u></u> |

The notes form part of these financial statements

Royal Society of Sculptors

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2022**

| | Notes | 31.12.22 £ | 31.12.21 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>257,728</u> | <u>385,853</u> |
| Net cash from operating activities | | <u>257,728</u> | <u>385,853</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (774,293) | (70,149) |
| Interest received | | <u>928</u> | <u>36</u> |
| Net cash from investing activities | | <u>(773,365)</u> | <u>(70,113)</u> |
| (Decrease)/increase in cash and cash equivalents | | <u>(515,637)</u> | <u>315,740</u> |
| Cash and cash equivalents at beginning of year | 2 | <u>871,983</u> | <u>556,243</u> |
| Cash and cash equivalents at end of year | 2 | <u><u>356,346</u></u> | <u><u>871,983</u></u> |

The notes form part of these financial statements

Royal Society of Sculptors

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2022**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

| | 31.12.22 | 31.12.21 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Profit before taxation | 313,111 | 337,753 |
| Depreciation charges | 3,326 | 3,651 |
| Finance income | <u>(928)</u> | <u>(36)</u> |
| | 315,509 | 341,368 |
| Decrease in stocks | 706 | 8 |
| Increase in trade and other debtors | (19,507) | (1,474) |
| (Decrease)/increase in trade and other creditors | <u>(38,980)</u> | <u>45,951</u> |
| Cash generated from operations | <u>257,728</u> | <u>385,853</u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2022

| | 31.12.22 | 1.1.22 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>356,346</u> | <u>871,983</u> |

Year ended 31 December 2021

| | 31.12.21 | 1.1.21 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>871,983</u> | <u>556,243</u> |

3. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.1.22 | Cash flow | At 31.12.22 |
|--------------------------|-----------------------|-------------------------|-----------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank and in hand | <u>871,983</u> | <u>(515,637)</u> | <u>356,346</u> |
| | <u>871,983</u> | <u>(515,637)</u> | <u>356,346</u> |
| Total | <u>871,983</u> | <u>(515,637)</u> | <u>356,346</u> |

Royal Society of Sculptors

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Group and the charitable Company ("the Parent Company"), which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention.

The presentation currency of these financial statements is Pound Sterling.

The figures have been rounded to the nearest £1.

Legal status of the Parent

Royal Society of Sculptors is a company limited by guarantee. The members of the company are the Trustees named on page 1. Under the terms of the Memorandum of Association should the company be wound up and in the event of a deficiency of assets, every member undertakes to contribute not more than £2 for the payment of the company's liabilities.

Going concern

The Trustees consider there are no material uncertainties about the Group's and the charitable Company's ability to continue as a going concern. The review of the financial position, reserve levels and future plans gives Trustees confidence the Group remains a going concern for the foreseeable future.

Basis of consolidation

The consolidated financial statements present the results of Royal Society of Sculptors and its own subsidiaries ("the Group") as if they form a single entity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The comparatives will present the charitable Company's results for the year ended 31 December 2021.

Investments in subsidiaries are stated at cost less provisions for impairment where appropriate.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group and the charitable Company make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the accounting policies above.

Income is accrued and deferred based upon estimates of future income entitlement and the timing of when activities will take place.

Fixed assets are depreciated over their expected lives.

Incoming resources

Subscriptions, donations, legacies, lettings, gifts and grants are recognised in the Consolidated Statement of Financial Activities once the Group and the charitable Company have entitlement to the funds, any performance conditions attached to an award have been met, it is probable that the income will be received and the amount can be measured reliably. Income is deferred if received in advance of entitlement. Entitlement to income is deemed to be the date when the service is provided or an event takes place. Donated services and goods are recognised as income when the economic benefit can be measured reliably. General volunteer time is not recognised as income.

Donations for capital expenditure

Donations received for capital expenditure are credited to income when received. The difference between the total donated and the cumulative depreciation charge relating to the relevant assets is carried forward under restricted funds.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Expenditure on raising funds includes all costs incurred in respect of activities to raise voluntary income. Expenditure on Charitable activities includes all costs incurred to enable the charity to meet its charitable objectives.

Other costs represent those costs incurred relating to strategy, compliance, constitutional and regulatory matters.

Salary costs include apportionment to the cost of generating funds, charitable activities and governance costs calculated in relation to time spent by the individuals concerned.

Tangible fixed assets

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

| | |
|----------------------------------|---------------------|
| Plant and machinery | - 20% Straight line |
| Fixtures, Fittings and Equipment | - 10% Straight line |

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Current assets

Amounts owed to the Group and the charitable Company at the year-end in respect of fees, gift aid recoverable or other income are shown as debtors, less provision for amounts that may prove uncollectible.

Stocks

Stocks are valued at the lower of cost and selling price less selling costs, after making due allowance for obsolete and slow moving items.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

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

Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Consolidated Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The Group and the charitable Company only have 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Government grants

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs, are recognised in the income statement in the period in which they become receivable.

Payments received by the company are included as 'Other income' in the calculation of the entity's profits for corporation tax purposes in accordance with normal principles.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Taxation

The charitable Company is exempt from corporation tax on its charitable activities. The subsidiary company is liable to tax on all their other income and profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Consolidated Balance Sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The Group and the charitable Company operate a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Consolidated Statement of Financial Activities in the year they are payable.

Royal Society of Sculptors

**Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022**

2. DONATIONS AND LEGACIES

| | 31.12.22 | 31.12.21 |
|-----------------|----------------|----------------|
| | £ | £ |
| Donations | 335,703 | 245,336 |
| Gift aid | 27,360 | 16,009 |
| Membership Fees | <u>129,333</u> | <u>125,870</u> |
| | <u>492,396</u> | <u>387,215</u> |

3. OTHER TRADING ACTIVITIES

| | 31.12.22 | 31.12.21 |
|---|---------------|----------------|
| | £ | £ |
| Rent, lettings and other trading activities | <u>96,251</u> | <u>101,128</u> |

4. INVESTMENT INCOME

| | 31.12.22 | 31.12.21 |
|---------------------------------|------------|-----------|
| | £ | £ |
| Interest and dividends received | <u>928</u> | <u>36</u> |

5. INCOME FROM CHARITABLE ACTIVITIES

| | 31.12.22 Charitable activities | 31.12.21 Total activities |
|-----------------------------|--------------------------------------|---------------------------------|
| | £ | £ |
| Exhibitions including talks | - | 44,157 |
| Education and awards | <u>3,915</u> | <u>4,661</u> |
| | <u>3,915</u> | <u>48,818</u> |

6. OTHER INCOME

| | 31.12.22 | 31.12.21 |
|-----------------------------|--------------|----------------|
| | £ | £ |
| Projects | 4,233 | 5,224 |
| Sundry | 4,460 | 685 |
| Government and other grants | - | <u>108,655</u> |
| | <u>8,693</u> | <u>114,564</u> |

Royal Society of Sculptors

**Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022**

7. CHARITABLE ACTIVITIES COSTS

| | Direct Costs (see note 8) £ | Support costs (see note 9) £ | Totals £ |
|-----------------------|--------------------------------------|---------------------------------------|----------------|
| Charitable activities | <u>265,696</u> | <u>23,376</u> | <u>289,072</u> |

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

| | 31.12.22 £ | 31.12.21 £ |
|--|----------------|----------------|
| Staff costs | 136,805 | 140,322 |
| Rates, water and insurance | 26,237 | 12,311 |
| Telephone | 1,663 | 1,213 |
| Postage and stationery | 8,628 | 7,309 |
| Advertising costs | 9,011 | 25,389 |
| Sundry expenses | 4,690 | 2,596 |
| Exhibitions including talks | 12,398 | 12,360 |
| Education and awards | 14,985 | 38,761 |
| Projects | 14,238 | 18,486 |
| Office cleaning, repairs and maintenance | 23,371 | 14,408 |
| Travel and subsistence | 751 | 524 |
| Computer costs and training | 9,593 | 13,664 |
| Depreciation | <u>3,326</u> | <u>3,651</u> |
| | <u>265,696</u> | <u>291,614</u> |

9. SUPPORT COSTS

| | Finance £ | Governance costs £ | Totals £ |
|-----------------------|--------------|--------------------------|---------------|
| Charitable activities | <u>2,691</u> | <u>20,685</u> | <u>23,376</u> |

Support costs, included in the above, are as follows:

Finance

| | 31.12.22 Charitable activities £ | 31.12.21 Total activities £ |
|--------------|---|--------------------------------------|
| Bank charges | <u>2,691</u> | <u>3,132</u> |

Governance costs

| | 31.12.22 Charitable activities £ | 31.12.21 Total activities £ |
|-----------------------------------|---|--------------------------------------|
| Salaries and freelance assistance | 6,000 | 6,000 |
| Auditors' remuneration | 6,350 | 4,500 |
| Legal and other professional fees | 4,578 | 7,113 |
| Travel and meeting expense | <u>3,757</u> | <u>1,649</u> |
| | <u>20,685</u> | <u>19,262</u> |

**Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022**

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 31.12.22 | 31.12.21 |
|-----------------------------|--------------|--------------|
| | £ | £ |
| Auditors' remuneration | 6,350 | 4,500 |
| Depreciation - owned assets | <u>3,326</u> | <u>3,651</u> |

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

During the year five Trustees were reimbursed £424.85 (2021: £231.56) for travel expenses to Board meetings and other Trustees' events held by the Society.

12. STAFF COSTS

| | 31.12.22 | 31.12.21 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Salaries and freelance assistance | 126,114 | 129,094 |
| Social security costs | 8,007 | 8,430 |
| Pension costs | <u>2,684</u> | <u>2,798</u> |
| | <u>136,805</u> | <u>140,322</u> |

The average monthly number of employees during the year was as follows:

| | 31.12.22 | 31.12.21 |
|-------------------------------------|----------|----------|
| | | |
| Average monthly number of employees | <u>4</u> | <u>5</u> |

No employees received emoluments in excess of £60,000.

Total employee benefits paid to key management personnel including employer's national insurance contributions and pension contributions were £64,699 (2021: £60,014).

Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – FINANCIAL YEAR
ENDED 31 DECEMBER 2021

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and membership fees | 142,365 | 244,850 | 387,215 |
| Charitable activities | | | |
| Charitable activities | 1,293 | 47,525 | 48,818 |
| Other trading activities | 101,128 | - | 101,128 |
| Investment income | 36 | - | 36 |
| Other income | <u>4,685</u> | <u>109,879</u> | <u>114,564</u> |
| Total | <u>249,507</u> | <u>402,254</u> | <u>651,761</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Charitable activities | <u>256,682</u> | <u>57,326</u> | <u>314,008</u> |
| NET INCOME/(EXPENDITURE) | (7,175) | 344,928 | 337,753 |
| Transfers between funds | <u>21,954</u> | <u>(21,954)</u> | <u>-</u> |
| Net movement in funds | 14,779 | 322,974 | 337,753 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | <u>1,135,336</u> | <u>327,072</u> | <u>1,462,408</u> |
| TOTAL FUNDS CARRIED FORWARD | <u>1,150,115</u> | <u>650,046</u> | <u>1,800,161</u> |

Royal Society of Sculptors

Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022

14. TANGIBLE FIXED ASSETS
Group

| | Freehold property £ | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|-----------------------|---------------------------|----------------------------------|----------------------------|------------------|
| COST | | | | |
| At 1 January 2022 | 1,020,149 | 26,123 | 21,190 | 1,067,462 |
| Additions | <u>774,293</u> | <u>-</u> | <u>-</u> | <u>774,293</u> |
| At 31 December 2022 | <u>1,794,442</u> | <u>26,123</u> | <u>21,190</u> | <u>1,841,755</u> |
| DEPRECIATION | | | | |
| At 1 January 2022 | - | 22,338 | 17,156 | 39,494 |
| Charge for year | <u>-</u> | <u>1,250</u> | <u>2,076</u> | <u>3,326</u> |
| At 31 December 2022 | <u>-</u> | <u>23,588</u> | <u>19,232</u> | <u>42,820</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2022 | <u>1,794,442</u> | <u>2,535</u> | <u>1,958</u> | <u>1,798,935</u> |
| At 31 December 2021 | <u>1,020,149</u> | <u>3,785</u> | <u>4,034</u> | <u>1,027,968</u> |

Company

| | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|---|----------------------------------|----------------------------|---------------|
| COST | | | |
| At 1 January 2022 and 31 December 2022 | <u>26,123</u> | <u>21,190</u> | <u>47,313</u> |
| DEPRECIATION | | | |
| At 1 January 2022 | 22,338 | 17,156 | 39,494 |
| Charge for year | <u>1,250</u> | <u>2,076</u> | <u>3,326</u> |
| At 31 December 2022 | <u>23,588</u> | <u>19,232</u> | <u>42,820</u> |
| NET BOOK VALUE | | | |
| At 31 December 2022 | <u>2,535</u> | <u>1,958</u> | <u>4,493</u> |
| At 31 December 2021 | <u>3,785</u> | <u>4,034</u> | <u>7,819</u> |

Royal Society of Sculptors

Notes to the Consolidated Financial Statements – continued for the Year Ended 31 December 2022

15. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ |
|--|---|
| MARKET VALUE | |
| At 1 January 2022 and 31 December 2022 | <u>1</u> |
| NET BOOK VALUE | |
| At 31 December 2022 | <u>1</u> |
| At 31 December 2021 | <u>1</u> |

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Dora House Limited

Company number: 13477821
Registered office: Royal Society of Sculptors
Dora House
108 Old Brompton Road
London
SW7 3RA

Nature of business: Other letting and operating of own or leased real estate

Class of share: %
Ordinary holding 100

16. STOCKS

| | Group | | Company | |
|----------------|----------|------------|----------|------------|
| | 31.12.22 | 31.12.21 | 31.12.22 | 31.12.21 |
| | £ | £ | £ | £ |
| Finished goods | <u>5</u> | <u>711</u> | <u>5</u> | <u>711</u> |

17. DEBTORS

| | Group | | Company | |
|---|---------------|--------------|------------------|------------------|
| | 31.12.22 | 31.12.21 | 31.12.22 | 31.12.21 |
| | £ | £ | £ | £ |
| Amounts falling due within one year: | | | | |
| Other debtors | 2,330 | 4,553 | 2,330 | 4,553 |
| VAT | 9,856 | - | - | - |
| Prepayments and accrued income | <u>12,738</u> | <u>864</u> | <u>20,088</u> | <u>3,441</u> |
| | <u>24,924</u> | <u>5,417</u> | <u>22,418</u> | <u>7,994</u> |
| Amounts falling due after more than one year: | | | | |
| Amounts owed by group undertakings | <u>-</u> | <u>-</u> | <u>1,825,643</u> | <u>1,208,215</u> |
| Aggregate amounts | <u>24,924</u> | <u>5,417</u> | <u>1,848,061</u> | <u>1,216,209</u> |

Royal Society of Sculptors

**Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group | | Company | |
|---------------------------------|---------------|----------------|----------------|---------------|
| | 31.12.22 | 31.12.21 | 31.12.22 | 31.12.21 |
| | £ | £ | £ | £ |
| Trade creditors | 21,670 | 11,634 | 13,276 | 3,957 |
| Social security and other taxes | 5,227 | 4,667 | 5,227 | 4,667 |
| VAT | - | 522 | - | - |
| Other creditors | 3,150 | 2,500 | 650 | - |
| Accruals and deferred income | <u>36,891</u> | <u>86,595</u> | <u>21,320</u> | <u>28,414</u> |
| | <u>66,938</u> | <u>105,918</u> | <u>40,473</u> | <u>37,038</u> |

19. MOVEMENT IN FUNDS

| | At 1.1.22 | Net movement in funds | Transfers between funds | At 31.12.22 |
|---------------------------|------------------|-----------------------|-------------------------|------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General fund | 129,289 | 1,780 | 14,574 | 145,642 |
| Building | 950,000 | - | - | 950,000 |
| Designated Fund | <u>70,826</u> | <u>-</u> | <u>-</u> | <u>70,826</u> |
| | 1,150,115 | 1,780 | 14,574 | 1,166,468 |
| Restricted funds | | | | |
| Restricted Fund | 168,360 | 28,810 | (14,574) | 182,597 |
| Capital Fund | <u>481,686</u> | <u>282,521</u> | <u>-</u> | <u>1,714,207</u> |
| | <u>650,046</u> | <u>311,331</u> | <u>(14,574)</u> | <u>946,804</u> |
| TOTAL FUNDS | <u>1,800,161</u> | <u>313,111</u> | <u>-</u> | <u>2,113,272</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources | Resources expended | Movement in funds |
|---------------------------|--------------------|--------------------|-------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| General fund | 245,840 | (244,060) | 1,780 |
| Restricted funds | | | |
| Restricted Fund | 56,123 | (27,313) | 28,810 |
| Capital Fund | <u>294,483</u> | <u>(11,962)</u> | <u>282,521</u> |
| | <u>350,606</u> | <u>(39,275)</u> | <u>311,331</u> |
| TOTAL FUNDS | <u>596,446</u> | <u>(283,335)</u> | <u>313,111</u> |

Royal Society of Sculptors

**Notes to the Consolidated Financial Statements – continued
for the Year Ended 31 December 2022**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.1.21 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.21 £ |
|---------------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds | | | | |
| General fund | 114,510 | (7,175) | 21,954 | 129,289 |
| Building Fund | 950,000 | - | - | 950,000 |
| Designated Fund | <u>70,826</u> | <u>-</u> | <u>-</u> | <u>70,826</u> |
| | 1,135,336 | (7,175) | 21,954 | 1,150,115 |
| Restricted funds | | | | |
| Restricted Fund | 171,471 | 18,843 | (21,954) | 168,360 |
| Capital Fund | <u>155,601</u> | <u>326,085</u> | <u>-</u> | <u>481,686</u> |
| | <u>327,072</u> | <u>344,928</u> | <u>(21,954)</u> | <u>650,046</u> |
| TOTAL FUNDS | <u><u>1,462,408</u></u> | <u><u>337,753</u></u> | <u><u>-</u></u> | <u><u>1,800,161</u></u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 243,882 | (251,057) | (7,175) |
| Restricted funds | | | |
| Restricted Fund | 75,747 | (56,904) | 18,843 |
| Capital Fund | <u>326,507</u> | <u>(422)</u> | <u>326,085</u> |
| | <u>402,254</u> | <u>(57,326)</u> | <u>344,928</u> |
| TOTAL FUNDS | <u><u>646,136</u></u> | <u><u>(308,383)</u></u> | <u><u>337,753</u></u> |

Royal Society of Sculptors

Notes to the Consolidated Financial Statements – continued for the Year Ended 31 December 2022

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1.1.21 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.22 £ |
|---------------------------|------------------|----------------------------------|------------------------------------|---------------------|
| Unrestricted funds | | | | |
| General fund | 114,510 | (5,395) | 36,527 | 145,642 |
| Building Fund | 950,000 | - | - | 950,000 |
| Designated Fund | <u>70,826</u> | <u>-</u> | <u>-</u> | <u>70,826</u> |
| | 1,135,336 | (5,395) | (36,527) | 1,166,468 |
| Restricted funds | | | | |
| Restricted Fund | 171,471 | 47,654 | (36,527) | 182,597 |
| Capital Fund | <u>155,601</u> | <u>608,606</u> | <u>-</u> | <u>764,207</u> |
| | <u>327,072</u> | <u>656,260</u> | <u>(36,527)</u> | <u>946,804</u> |
| TOTAL FUNDS | <u>1,462,408</u> | <u>650,865</u> | <u>-</u> | <u>2,113,272</u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 489,722 | (495,117) | (5,395) |
| Restricted funds | | | |
| Restricted Fund | 131,870 | (84,217) | 47,654 |
| Capital Fund | <u>620,990</u> | <u>(12,384)</u> | <u>608,606</u> |
| | <u>752,860</u> | <u>(96,601)</u> | <u>656,259</u> |
| TOTAL FUNDS | <u>1,242,582</u> | <u>(591,718)</u> | <u>650,864</u> |

20. INDIVIDUAL STATEMENT OF FINANCIAL ACTIVITIES

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent company is not presented as part of these financial statements.

21. CAPITAL COMMITMENTS

At 31 December 2022 the refurbishment of the property had been completed with a remaining contingency payment due in December 2023 of £18,000. There were no capital commitments or contingent liabilities at 31 December 2022.

22. RELATED PARTY DISCLOSURES

Parent

In November 2021 Royal Society of Sculptors transferred its beneficial interest in the property to its subsidiary. At 31 December 2022 Dora House Limited owed the charity £1,825,643 (2021: £1,208,215).