

THE ROUND SQUARE
(A Charitable Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

Company Registration No: 2011514
Registered Charity No: 327117

THE ROUND SQUARE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2023

Trustees

| | |
|-----------------------|----------------------------|
| John O'Connor | Chair |
| Lisa Moloney | Deputy Chair (Membership) |
| Innes Van Nostrand | Deputy Chair (Nominations) |
| Catherine Donovan | |
| Sally James | |
| Surendra Kulkarni | |
| Paul Sandford | |
| Siddarth Singh Girnar | |
| Rebecca Upham | Appointed October 2022 |
| George Vance | Appointed October 2022 |

Former Trustees leaving the Board during the year

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|--------------|----------------------|
| Simona Baciú | Retired October 2022 |
|--------------|----------------------|

Company Secretary

Jane Howison

Worldwide Management Team

| | |
|--------------------------|--|
| Rachael Westgarth | Chief Executive |
| Sarah McGill | Executive Assistant to the Chief Executive |
| Craig Carolan | Schools' Support Director - Africa / Professional Development Director |
| Ian Crossland | Schools' Support Director - USA and Canada |
| Ben George | Schools' Support Director - Australasia & East Asia |
| Rajbir Sandhu | Schools' Support Director - South Asia & the Gulf |
| Aimee Theodore | Schools' Support Director - Europe & the Mediterranean |
| Katie Di Felicianantonio | Digital Communications Manager |
| Lydia Eckstein | Research Manager (PT) |
| Emma Fordham | Conference and Projects Manager (PT) |
| Raksana Khan | Finance Manager |
| Florencia Marante | Student Engagement Manager |
| Stacey Oguna | Digital Assistant |
| Sandy Watt | Membership Secretary (PT) |

Auditors

Villars Hayward LLP
Boston House, Henley on Thames, RG9 1DY

Bankers

Barclays Bank Plc
24 Lowfield Street
Dartford
Kent
DA1 1HE

Solicitors

Bates Wells Braithwaite
10 Queen Street Place, London, EC4R 1BE

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and 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 (FRS 102)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Round Square is a company limited by guarantee governed by its Memorandum and Articles of Association dated April 1986 and amended by special resolutions on 25 September 2001, 28 September 2012 and 20 May 2015.

The Round Square is registered as a charity with the Charity Commission at Morgan House, Madeira Walk, Windsor, UK SL4 1EP.

Appointment of Trustees

As part of the requirements of the Articles of Association, near to one-third of the Board of Trustees must retire at each Annual General Meeting (Article 3.5). Members of the Board of Trustees are, subject to any restrictions specified in the Rules of Governance, eligible for re-election (Article 3.6).

Over time and as terms of office expire, nominations for positions on the Board of Trustees come from a variety of sources and stakeholders of the Round Square Organisation.

To maintain a spread of regional perspectives on the Board, each region nominates and selects a candidate, by a vote of Heads of School in the Region, to put forward to the full Global membership for election to the Board via the AGM.

The Round Square Reps are also invited to select a Candidate, by global vote of the RS Reps, to be put forward for election by full-membership vote via the AGM.

All Round Square Heads of School are invited, from time to time, by the RS Chairman, to put forward to the Nominations Committee of the Board of Trustees, further candidates for election to the Board.

Trustee Induction and Training

New Trustees are provided with access to an information Dropbox detailing relevant information. This pack includes copies of governing documents, the Memorandum and Articles of Association, the Annual Report, Minutes of Trustee Meetings and reports including Committee reports, and budget information.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. An induction workshop for new Trustees is led by the RS Chairman and Chief Executive.

Organisational Structure

The Trustees, who can number up to twenty, comprise of individuals with specific skill sets who bring their expertise from wide-ranging backgrounds and geographical locations throughout the World.

The Trustees operate a committee structure, the committees and their responsibilities are shown below:

- Nominations Committee
- Membership Committee: School membership, management of school recruitment
- Finance & General Purposes Committee: Operational, budgeting and finance matters

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

The full Board meets, at a minimum, three times a year through a combination of in-person and virtual zoom meetings. In addition, both the full Board and its Committees communicate by group email.

The Board delegates day to day management of the organisation to the Worldwide Management Team through the Chief Executive, who reports to the Board.

Status and Administration

The company is a registered charity and a company limited by guarantee. The company registered number is 2011514.

Principal Risks and Uncertainties

Round Square has thorough processes in place for risk management of student-based activities including projects and conferences. In addition, the charity maintains a risk register, which was reviewed by the Board during the reported year at its May 2023 meeting.

The top three risks identified through this process, at that time, on the basis of an assessment of the severity of impact and likelihood were:

- the risk of being caught out by rapidly rising inflation at a level that has not been experienced in the UK since the early 1990s, which could potentially outstrip any reasonable contingency planning, leading to underbudgeting;
- the risk that any delays in planned recruitment/ onboarding of new personnel could lead to a capacity gap in the Windsor office team, requiring temporary staff/ consultancy/ outsourcing;
- the risk that a smaller territory within a region or a country has a change of education policy, or is affected by geo-political events, such that all of the schools in the region gradually, one by one, decide to leave the RS Community (including by domino effect) over a period of time.

OBJECTIVES AND ACTIVITIES

Round Square (RS) is a not-for-profit network of schools in 50 countries on six continents with a stated object to advance education anywhere in the world.

Its proposition is based on the theories of Kurt Hahn who believed that schools should have a greater purpose beyond preparing young people for college and university. Together, the schools in the Round Square network share a belief in six pillars, or IDEALS, inspired by Hahn's beliefs. These are:

International understanding, empathy and tolerance
Democratic governance and justice
Environmental stewardship
Adventure, motivating self-discovery
Leadership, with courage and compassion
Service to others

RS schools carry this belief into their practices and pedagogy, offering a holistic and collaborative approach to learning that develops students into well-rounded, informed, responsible, principled and confident Global Citizens.

Students at Round Square schools instigate and engage in, practical initiatives that develop their skills and understanding both of themselves and others, on an International scale. They are challenged to seek out issues that have resonance locally, regionally and internationally and form their own opinions and ideas about these in the context of the RS IDEALS.

Subscriptions are paid by each member school in proportion to their fee income and are utilised to support the organisations' objectives. The organisation seeks to enhance the education of all constituents at member schools - pupils, governors and staff - and propagate a style of education built around the six IDEALS and Kurt Hahn's philosophy.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Member schools demonstrate their commitment to Round Square IDEALS through activities run within their schools, through sharing good practice and knowledge, and through participation in international Round Square initiatives such as conferences and projects.

STRATEGIC INTENTIONS

Organisational

1. To be a major global educational influencer, advocating and promoting the philosophy of Kurt Hahn as the basis for excellence in education around the world;
2. To place students at the heart of our organisation, and to define our role, ambitions and activities by a compulsion to guide and support their educational, ethical and social journeys;
3. To strive for the broadest possible reach, engaging with schools and young people throughout the world, irrespective of background and circumstance;
4. To engender a culture within our schools that encourages and expects students to be active, informed and responsible participants in shaping and improving our world both now and in their future lives.

Individual

5. To provide young people with the appropriate environment and opportunities for self-discovery and personal growth, through physical and mental challenge and **ADVENTURE** and through active participation in the **DEMOCRATIC** process of school leadership and governance;
6. To guide and support students in discovering their own inner strengths and developing a sense of personal responsibility, understanding that true **LEADERSHIP** is rooted in kindness, empathy and justice and that the best leaders know how to be of **SERVICE** to others;
7. To engender and nurture **INTERNATIONAL** understanding and global-mindedness through encouraging students to understand and appreciate the physical and social world around them and recognise the need to care for it through effective **ENVIRONMENTAL** stewardship.

Operational

8. To harness and invest in all available technologies and social media to facilitate and enhance opportunities for teaching and learning, sharing good practice, organisational development and communications;
9. To operate with the utmost professionalism: prioritising consistency of approach, method and implementation; delineating the roles of RS Central (infrastructure and enabling) and RS Schools (delivery and programme activity); setting standards rather than following them, and encouraging the elevation of the status of Round Square membership within all schools;
10. To develop and promote the Round Square brand including codification of Intellectual Property, measurement and protection of what it means to be a Round Square member school.

PUBLIC BENEFIT

The organisation specifically identifies the advancement of education in its governing documents.

The organisation, as one of its cornerstones, recognises and promotes the importance of educating students to provide service to others and to participate in voluntary work in education, social service and similar activities in various parts of the World.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

The organisation provides opportunities for students to participate in events including conferences and service projects. Specifically, the organisation provides young people with opportunities to work together as an international group promoting understanding. Individual schools in the Round Square network also arrange exchanges of students and staff between themselves.

Each Round Square Member School raises funds to support Round Square's charitable activities. During the reported year donations from student fundraising made to the organisation were designated by the Board of Trustees to the Round Square Discovery Fund, which is used to support Round Square's charitable activities including, for example, in purchasing materials for International Service Projects, or in providing bursaries to enable participation in projects and conferences for students whose financial circumstances would otherwise prevent them from taking part. In this way, Round Square directly supports students in participating in Round Square Conferences and on RSIS Projects and provides allocated funding to meet this commitment.

The trustees confirm that they have referred to the Charity Commission's guidance on Public Benefit in reviewing the charity's aims, objectives and future plans.

ACHIEVEMENTS AND PERFORMANCE – ANALYSIS OF OPERATING COSTS

As a registered charity, Round Square is aware of the need to manage its resources to the best possible effect on behalf of its stakeholders, balancing in-house activities most effectively and efficiently delivered by the Management Team with initiatives that are outsourced to specialist suppliers and consultants. Note 3 of the accounts details the allocation of staff and governance costs, between the following areas:

Membership – Support and Recruitment

Round Square continues its strategy for measured growth, both in terms of the opportunities afforded to school communities within the Association and in the number of Member Schools.

By the end of the reported year, the Round Square network numbered 248 schools and colleges around the globe, with 14 schools having moved from Candidacy to Global Membership during the reported year. The combined addition of new Candidate and Global Member schools, along with changes in the exchange rate and local increases in school-fee income, resulted in an increase in subscription income of £123,897 during the year (Note 2a refers).

Interest in – and engagement with – Round Square continues to go from strength to strength both within and beyond our network. Travel-based programmes are now firmly back on the agenda, post-COVID, and Round Square has settled into a hybrid portfolio of activity that combines the newer virtual opportunities with tried-and-tested activities such as face-to-face Conferences and travelling Student Exchange.

During the year Round Square's Schools' Support Directors have guided more than 60 Five-Year Self-Reflections. These are facilitated processes through which stakeholders within a RS school are invited to review where Round Square themes and programmes currently fit within the school, and consider how they might support the school's aims and objectives in the future, resulting in the creation of an actionable plan for future development.

The total manpower invested in direct services and support to Candidate and Member Schools by members of the Worldwide Management Team and Board of Trustees amounted to an expenditure of £364,032 during the year (as disclosed in General Support costs and Governance costs in Note 3).

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Programme Delivery, Research and Development

Once again, this year, there has been a significant uptake of Round Square's online programmes. More than 5,200 students participated in 48 RS Zoom Postcards during the year, and 88 classroom collaborations were hosted around the world by RS Candidate and Member Schools, (vs 68 in 2021/22), collectively enabling more than 90% of RS Schools to actively participate in these activities.

The success of Zoom Postcards has given rise to a new programme of Language Labs, a series of weekly conversations on zoom hosted in a particular language by students who are native speakers of that language, attended by students from across the world who are keen to learn. French, Spanish, Arabic, German, Japanese and Mandarin Language Labs, were run during the reported year.

Development was completed on pilot materials for the "Round Square Heroes of Discovery" programme for Early/ Primary/ Elementary Years. The pilot programme was presented at the RS Heads' Symposium in January 2023, and launched with a two-day workshop in Oxford in April attended by 70 Heads and Teachers from 34 schools, who are now piloting the programme in 14 countries.

Our pilot, in partnership with UCL, of a Teachers' Certificate course on Leadership in Round Square Schools completed its second, and final wave during the reported year, with 12 participants at a cost to the organisation of £15,000. This pilot has now concluded with no plans to continue the course into the future.

Development of a new Professional Development Programme for Round Square School Heads and Teachers moved into the design phase during the year, with a package of 32 modules planned for release in the coming year, combining online asynchronous, and zoom-based or face-to-face synchronous components. Further development of module content will continue in the coming year.

The cost to the organisation in the reported year of these combined initiatives was £342,086 as disclosed in Note 3 of the accounts.

Digital & Other Communications

In the last quarter of 2022 and the first quarter of 2023 Round Square hosted four Forums on Zoom for Heads, Reps and other faculty from RS schools, including global updates, Heads' and Reps' Meetings and good practice carousels. The Good Practice Carousels were recorded and turned into Podcasts available through the RS Web Site resource library.

We also continued to produce fortnightly podcasts under the banner "Talking Heads" in which Heads of Round Square schools are invited to record a short talk on a topic of their choice to be shared with RS school faculty across the network via the RS web site.

The Round Square Weekly online newsletter continued to keep our community connected and propagate collaboration and participation between RS schools across the world, including through advertising school-hosted events and activities for others to join and providing links to registration platforms.

The direct cost to the organisation in the reported year of these combined initiatives was £89,692 as disclosed in Note 3 of the accounts.

Conferences

Perhaps the most significant single venture of the reported year was the Round Square International Conference, which took place in the UK in September 2022, and was attended by 1,550 delegates from 163 schools in 32 countries, The RSIC2022 was jointly hosted by Round Square, AKS Lytham, Box Hill School, Cobham Hall School, Felsed School, Latymer Upper School and Ryde School with Upper Chine. It began in Oxford, spread across seven University Colleges for the first

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

half of the week, before splitting between the six Round Square Schools, and an Outdoor Education Camp in Wales, for a long weekend of Adventure and Service programmes. In addition to the Round Square International Conference, during the year, the organisation supported a programme of 12 in-person Round Square Global Conferences for different age groups ranging from 11-18, hosted by RS schools around world, each themed around one of the RS IDEALS.

In January 2023, in London, UK, Round Square hosted a Symposium for Heads of RS Schools, on the theme of *Creating a Culture of Belonging*. During the Symposium, participants had the opportunity to visit Round Square Schools in the UK and learn about their approach to RS. Together at London County Hall, they heard from Keynote Speakers, worked collaboratively in Baraza breakout discussions, built relationships and networks, heard from their peers and presented their own good practice. The next Round Square Heads' Symposium will take place in London in January 2025.

The cost to the organisation, including manpower invested in these combined initiatives by members of the Worldwide Management Team and Board of Trustees amounted to an expenditure of £1,958,756 during the year (as disclosed in General Support costs and Governance costs in Note 3).

Leadership, Staffing & Infrastructure

During the 2022/23 year, staffing remained relatively static with one departure, one new arrival and one maternity leave commencing. A search began during the reported year to appoint to a new position of Operations Director, and the appointee will join the organisation in November 2023.

The combined cost to the organisation of the key personnel that made up the Worldwide Management Team during 2022/23 (names listed on page 2) was £812,042 (2021/22 £764,156).

Remuneration of all members of the Worldwide Management Team is bench-marked with other UK-based charities whose activities are similar to those of Round Square, with market forces for the individual roles, and with roles of equivalent status in the education sector in the territory in which each team member is based. This is done to ensure that the remuneration is set fair and not out of line with that generally paid for similar roles requiring similar skills sets and levels of experience.

The pay of all employed members of the Worldwide Management Team is reviewed annually, and, as required, is increased in accordance with average earnings.

During the reported year operating leases for office premises totalled £69,514 (£63,386 in 2021/22).

FINANCIAL RESULTS AND RESOURCES

The total income for the year was £2,890,900 and total expenditure was £2,875,519. At the year-end, on 31 July 2023, Round Square was holding a total of £844,495 in reserves, made up of £404,762 in unrestricted, £25,759 in restricted and £413,974 in designated funds.

Fundraising Disclosure

In the reported year, Round Square received a funding donation from The Aumund Foundation, to support the Round Square International Conference, in the amount of 15,000 Euros (as disclosed in note 2B).

Students in Round Square schools undertake fundraising activities as part of their education, and many choose to make donations from these funds to Round Square. In the reported year, Round Square received £6,374 in donations from student fundraising to the Round Square Discovery Fund.

Round Square has received no complaints and worked with no 3rd party fundraising partners in the past year.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Investments Policy

Round Square has reviewed its cash balances and has made some investment decisions based on the need to ensure funds are held in accounts producing investment returns whilst ensuring funds are held securely.

A conservative approach to the investment of surplus funds continues to form the basis of the investment policy. The Finance and General Purposes Committee will review the cash position at least annually and make decisions accordingly, seeking to make investments only where there is a minimum risk to capital.

Reserves Policy

Reserves built up in the organisation are intended for investment, by Board decision, in the development of a specific initiative or area of the business. It is not the intention of the Board to supplement normal operating expenditure through the use of reserves.

During the year the Round Square Board reviewed and adopted a revised reserves policy for Round Square, taking into account the main financial risks for the organization, the levels of secure and reliable income, and committed expenditure over 12 months. The aim of the policy is that Round Square should hold £332,003 in free reserves (unrestricted funds not tied up in fixed assets or designated).

At the year-end Round Square's holding in free reserves amounted to £357,660 (unrestricted £404,762 less fixed assets of £47,102) which is £25,657 above Round Square's reserves target. With Round Square's committed spend set to increase next year with the expansion of the Round Square Team, the Trustees consider this to be a prudent position to maintain at this time.

Exemptions

As annual energy consumption of the Round Square is less than 40,000 kWh under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 the Trustees have claimed exemption from disclosure related to energy consumption.

PLANS FOR THE FUTURE

Strategic Themes

Three strategic themes continue to form the central framework of our plan. These encapsulate our Guiding Principles and provide a touchstone for shaping current and future ambitions. Our themes are:

- A World-Class Educational Approach
- A Vibrant Connected Network
- A Platform for Future Leaders

Strategic Outcomes

The Round Square Strategic Plan identifies five Strategic Outcomes for the organisation:

- 1) **A meaningful Round Square value system:** *The Ebb & Flow of Learning in the organisation*
- 2) **A whole new standard of educational value:** *BEING Round Square not just DOING Round Square*
- 3) **The development of better human beings:** *The Vision and purpose of the approach shared by Round Square schools*
- 4) **Advancement of critical skills and qualities for lifelong learning:** *Propagating the Round Square approach*
- 5) **Attraction and retention of exemplary Round Square schools:** *Seeking out those schools that excel and innovate in areas that we are passionate about*

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Worldwide Implementation Plan

The Worldwide organisation continues to focus on four key areas in support of the strategic plan:

- *Membership Support* including on-the-ground support, good practice sharing, Professional Development, training and mentoring for Candidate and Member School faculty, as well as the school recruitment and onboarding process.
- *Round Square Voice* including the continuing development of our web site and social media platforms, particularly in the context of the continuing inability for schools to travel as a result of the COVID-19 Pandemic.
- *Core Programme Development* including the development of the Round Square Heroes of Discovery, Zoom Postcards, Language Labs, Subject Labs, RS International Service Projects, Round Square Conferences and a new Professional Development Programme for RS School faculty.
- *Infrastructure Development* which encompasses a programme of continuous improvement in our systems and processes as well as the structure of support services provided by the Worldwide Management Team in encouraging and enabling network collaboration and whole-school engagement.

In the coming year, particular areas of focus will include:

Virtual Programming: continuation of our weekly Zoom Postcards led by students in Round Square Schools. In addition, further Language Labs, in which students come together to practice their language skills on a zoom call hosted by students who are native speakers of that language, will be offered in French, Spanish, Te Reo, the language of the Māori people of New Zealand. In the coming year we will also pilot a six-part History Lab, in which students will share different perspectives on major global historical events from their own country and culture.

The Round Square Heroes of Discovery: Continuation of the programme pilot through to March 2024, when we will host another workshop in Oxford for the pilot schools and other RS Schools that wish to pick the programme up post-pilot.

Supporting RS Conferences: The Round Square International Conference 2023, which will be hosted by Brookhouse Schools, in Kenya, in October. Planning is also underway for the RSIC2024, which will be hosted as a collaborative effort, by RS Schools in Bogota. Round Square will also support a programme of 16 in-person Round Square Global Conferences for different age groups ranging from 11-18, which will be hosted by RS schools around the world during the 2023/24 year. Each themed around one of the RS IDEALS, the Conferences will all be available to RS schools to attend from anywhere in the world.

Re-starting RSIS Projects – the return of Round Square International Service Projects in December 2023, with a Big Build and Environmental Project in Thailand's Prachuap Khiri Khan Province, in which students will help to tackle issues relating to human-elephant coexistence in the Tenasserim Hills.

Facilitating RS Schools' 5-Year Self-Reflections: mentoring of schools' five-year self-reflections via face-to-face visits to schools. In addition, energies will continue to be directed towards supporting schools into the RS Exchange Programme to enable them to access opportunities for student exchange across the RS community.

Networking & Professional Development - encouraging, supporting and facilitating greater communication, good practice sharing and collaboration in the coming year. In the first half of the year, five Round Square Forum meetings will be hosted face-to-face in-country for the first time since the Pandemic. The coming year will also see the completion and roll-out of a Professional Development Programme of optional short-courses and resources for faculty in Round Square Schools.

Developing Case Studies and Talking Heads Podcasts – continuation of the Talking Heads Podcasts, dovetailing with the Professional Development initiative. In addition our research will focus on building a library of Case Studies to capture and share good practice across the RS Network, providing collateral for both the PD Programme and Marketing activities.

THE ROUND SQUARE

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2023

Marketing Communications – appointment of a Marketing Director to lead development and implementation of a holistic marketing strategy in support of RS Schools and their PR, Social Media and Marketing Activities.

Diversity and Quality of Membership - In line with the Strategic Plan objectives indicated by all regions, diversity remains a key focus in the consideration of new Candidate School applications, and attention will be focused once again towards growing interest in Round Square in unrepresented or under-represented parts of the world.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (the 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 for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.


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

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

- there is no relevant audit information of which the 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.

In preparing this report, the Trustees have taken advantage of the small company's exemptions provided by section 415A of the Companies Act 2006.

Approved by the Trustees on 7th October 2023 and signed on their behalf by:



John O'Connor
Chairman
Round Square

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROUND SQUARE

FOR THE YEAR ENDED 31 JULY 2023

Opinion

We have audited the financial statements of The Round Square for the year ended 31 July 2023 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 July 2023 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable 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 trustees 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 included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROUND SQUARE

FOR THE YEAR ENDED 31 JULY 2023

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' Annual Report (which includes the directors' report prepared for the purposes of company law) 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' Annual Report have 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 Trustees' Annual Report (which incorporates the directors' 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 by the charitable company; or
- the charitable company 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; or
- 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 requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement, set out on page 11, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROUND SQUARE

FOR THE YEAR ENDED 31 JULY 2023

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified the principle risks of non-compliance with laws and regulations related to employment law and charity law, and 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 preparation of the financial statements such as Companies Act 2006 and Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted as part of the year end process; and
- Challenging assumptions and judgements made by management in their accounting estimates

Because of the inherent limitations of an audit, there is a 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 involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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.

 BFP, ACA, CTA

31 October 2023

Nicholas M Smith BFP, ACA, CTA
For and on behalf of Villars-Hayward LLP, Statutory Auditor

Boston House
Henley-on-Thames
RG9 1DY

THE ROUND SQUARE

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account)

FOR THE YEAR ENDED 31 JULY 2023

| INCOME & EXPENDITURE | Notes | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | 2023 Total £ | 2022 Total £ |
|--------------------------------------|--------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Charitable activities | 2a | 2,861,336 | - | - | 2,861,336 | 1,104,398 |
| Donations & Grants | 2b | - | 6,374 | 12,549 | 18,923 | 6,220 |
| Investment Income | 2c | 3,035 | - | - | 3,035 | 79 |
| Income from other trading activities | 2d | 7,606 | - | - | 7,606 | 1,380 |
| | | 2,871,977 | 6,374 | 12,549 | 2,890,900 | 1,112,077 |
| Expenditure on: | | | | | | |
| Charitable activities | 3 | 2,862,970 | - | 12,549 | 2,875,519 | 1,119,168 |
| | | 2,862,970 | - | 12,549 | 2,875,519 | 1,119,168 |
| Net movement in funds | | 9,007 | 6,374 | - | 15,381 | (7,091) |
| Transfer between funds | 10a | 13,000 | (13,000) | - | - | - |
| Net Movement in funds | | 22,007 | (6,626) | - | 15,381 | - |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 382,755 | 420,600 | 25,759 | 829,114 | 836,205 |
| Total funds carried forward | | 404,762 | 413,974 | 25,759 | 844,495 | 829,114 |

All transactions are derived from continuing activities

There are no other gains and losses other than these shown above.

The comparative Statement of Financial Activities is shown in note 16.

The accompanying notes form part of these financial statements

**THE ROUND SQUARE
BALANCE SHEET**

AS AT 31 JULY 2023

| | NOTES | 2023 £ | 2022 £ |
|--|-------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible Assets | 5 | 47,102 | 48,678 |
| CURRENT ASSETS | | | |
| Debtors | 6 | 83,306 | 507,395 |
| Stock | | 22,456 | 15,055 |
| Cash at bank | | 936,128 | 2,102,415 |
| | | 1,041,890 | 2,624,865 |
| CURRENT LIABILITES | | | |
| Creditors: Amounts falling due within one year | 7 | (244,497) | (1,844,429) |
| NET CURRENT ASSETS | | 797,393 | 780,436 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 844,495 | 829,114 |
| FUNDS | | | |
| Unrestricted: | | | |
| General Funds | 10 | 404,762 | 382,755 |
| Designated Funds | 10 | 413,974 | 420,600 |
| Restricted | 10 | 25,759 | 25,759 |
| TOTAL CHARITY FUNDS | | 844,495 | 829,114 |

The financial statements were approved and authorised for issue by the Board of Directors on 7th October 2023 and were signed on its behalf by:



John O'Connor - Chairman

The accompanying notes form part of these financial statements

Company Registration No: 2011514

THE ROUND SQUARE
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 JULY 2023

| | 2023 | 2022 |
|---|--------------------|------------------|
| | £ | £ |
| Cash Flows from Operating Activities | | |
| <i>Net cash provided by activities</i> | (1,162,572) | 1,170,558 |
| Cash flows from investing activities: | | |
| Investment in Intellectual Property | (6,750) | - |
| Bank interest | 3,035 | 79 |
| Change in cash & cash equivalents in the reporting period | (1,166,287) | 1,170,637 |
| Cash and Cash equivalents at the beginning of the reporting period | 2,102,415 | 931,778 |
| Cash and cash equivalents at the end of the reporting period | (936,128) | 2,102,415 |
| | | |
| Reconciliation of net income to net cash flow from operating activities | | |
| | 2023 | 2022 |
| | £ | £ |
| Net income/(expenditure) for the reporting period (as per Statement of Financial Activities) | 15,381 | (7,091) |
| Adjustments for: | | |
| Depreciation charges | 8,326 | 7,872 |
| Bank interest | (3,035) | (79) |
| (Increase) / decrease in stocks | (7,401) | (10,850) |
| Increase in debtors | 424,089 | (409,445) |
| Increase in creditors | (1,599,932) | 1,590,151 |
| Net cash (used by)/ provided by operating activities | (1,162,572) | 1,170,558 |

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1. ACCOUNTING POLICIES

(a) Basis of preparation and going concern

The Financial Statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)) Second Edition, effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined in FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy below.

The Board of Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the Charity remains a going concern for the foreseeable future. Financial projections have been subjected to detailed risk assessments, and it is considered that the Charity would remain going concern even in the event of its most significant risks being realized.

The particular accounting policies adopted are described below.

(b) Income

Income is recognised when the charity has an entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured. Donations are included in full in the Statement of Financial Activities when there is an entitlement, probability of receipt and the amount of income receivable can be measured reliably.

All subscription income relating to the financial period covered by this report is recorded in the Statement of Financial Activities. Any membership income relating to the subsequent financial year is treated as deferred income.

Project income is recognised in the Statement of Financial Activities when the project occurs. Any project income relating to the subsequent financial year is treated as deferred income.

Income from other trading activities is recognised as earned as the related goods are provided.

Investment income is bank interest and is recognised on a receivable basis once the amounts can be measured reliably.

(c) Expenditure

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

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

Expenditure is accounted for on an accruals basis and is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Charitable activities relate to costs incurred in delivering the charity's activities and services to its beneficiaries. General support costs include salaries and office costs. Governance costs are costs incurred in meeting the constitutional and statutory requirements.

General support costs and Governance costs have been allocated to each of the Charitable activities based on an apportionment of time. This is disclosed in Note 3 of the accounts.

(d) Stock

Stock is valued at the lower of cost and net realisable value.

(e) Financial instruments

The charity 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.

(f) Debtors

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

(g) Cash at bank and in hand

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

(h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third-party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are formally recognised at their settlement amount after allowing for any trade discounts due.

(i) Employee benefits

Short term benefits: Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits: Termination benefits are accounted for on an accruals basis and in line with FRS 102.

The Charity operates a NEST pension plan. Contributions to the scheme are recognised as they fall due.

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

(j) Operating lease rentals

Rentals under operating leases are charged to the profit and loss account as they fall due.

Any rent-free periods are allocated over the life of the lease and the creditor released annually.

(k) Fixed assets and depreciation

Individual fixed assets costing £1,500 or more are capitalised at cost and depreciated over their useful economic life on a straight-line basis as follows:

| | |
|--------------------|---------------|
| Office equipment | 10% per annum |
| Computer Equipment | 33% per annum |

Where the purchase price is below £1,500 the item will be written off in full during the reported year.

(l) Funds

Unrestricted funds are funds that can be used in accordance with the charitable objects at the discretion of the Trustees. Designated funds are funds set aside by the Trustees out of unrestricted general funds for specific future purposes. Restricted funds arise when funds can be used only for a specific purpose, either as specified by the donor or in accordance with the terms for which they were raised.

(m) Foreign currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. Any exchange differences arising from the translation are dealt with in the Statement of Financial Activities.

(n) Accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions in the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates, assumptions and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable. The Trustees do not consider there to be any significant estimates and judgements.

2a. INCOME FROM CHARITABLE ACTIVITIES

| | 2023 | 2022 |
|---------------------|------------------|------------------|
| | £ | £ |
| Subscription income | 1,223,461 | 1,099,564 |
| Conference income | 1,637,875 | - |
| RSIS Project income | - | 4,834 |
| | 2,861,336 | 1,104,398 |

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

2b. DONATIONS AND GRANTS

| | 2023 | 2022 |
|---|---------------|--------------|
| | £ | £ |
| Donations to the Discovery Fund | 6,374 | 6,220 |
| Aumund Foundation donation in respect of RSIC2022 | 12,549 | - |
| | 18,923 | 6,220 |

| | 2023 | 2022 |
|------------------------------|--------------|-------------|
| | £ | £ |
| 2c. INVESTMENT INCOME | | |
| Bank interest | 3,035 | 79 |

| | 2023 | 2022 |
|---|--------------|--------------|
| | £ | £ |
| 2d. INCOME FROM OTHER TRADING ACTIVITIES | | |
| Sale of merchandise | 7,606 | 1,380 |

3. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Activity Costs | General Support | Governance | Total | Basis of apportionment | |
|----------------------------------|---------------------------|----------------------------|-------------------|------------------|-----------------------------------|-----|
| | £ | £ | £ | £ | | |
| Charitable activities | | | | | | |
| Membership Support & Recruitment | 120,953 | 349,437 | 14,595 | 484,985 | Resource | 34% |
| Programme Delivery, R&D | 42,295 | 287,772 | 12,019 | 342,086 | Resource | 28% |
| Digital & Other Communications | 4,037 | 82,221 | 3,434 | 89,692 | Resource | 8% |
| Conference Expenditure | 1,637,551 | 308,327 | 12,878 | 1,958,756 | Resource | 30% |
| | 1,804,836 | 1,027,757 | 42,926 | 2,875,519 | | |

For comparative figures from 2022 see note 13.

The General Support costs include salaries to employees and payments to contractors who carry out significant work on behalf of the charity totalling £812,042 (2022 £764,156). (See Note 4.)

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

3. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

| ANALYSIS OF GOVERNANCE COSTS | 2023 | 2022 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Board meeting expenses | 31,588 | 11,553 |
| Audit and accountancy | 8,495 | 8,435 |
| Legal costs | 2,843 | 270 |
| | <u>42,926</u> | <u>20,258</u> |

| | 2023 | 2022 |
|---|-------------|-------------|
| | £ | £ |
| Net movement in funds is stated after charging: | | |
| Operating leases – premises | 69,514 | 63,386 |
| Fees paid to auditors - audit | 8,495 | 8,435 |
| - other | - | - |
| Depreciation | 8,326 | 7,872 |

4. STAFF COSTS AND TRUSTEES EMOLUMENTS

| | 2023 | 2022 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Wages and salaries | 421,121 | 401,186 |
| Social Security Costs | 43,919 | 42,780 |
| Pension Costs | 24,100 | 23,250 |
| | <u>489,140</u> | <u>467,216</u> |
| Contractor costs | <u>322,902</u> | <u>296,940</u> |
| | <u>812,042</u> | <u>764,156</u> |

The pension costs include contributions to NEST pension plan (auto-enrolment) and one employee's personal pension plan.

The average number of employees during the year was 9 (2022: 9) with all employee time involved in providing support services to charitable activities.

The number of employees who received emoluments exceeding £60,000 was:

| | 2023 | 2022 |
|---------------------|-------------|-------------|
| £60,000 - £70,000 | 1 | 1 |
| £130,000 - £140,000 | 1 | 1 |

Related Party Transactions

The Board considers its key management personnel comprise the Worldwide Management team and the total emoluments for these individuals were £812,042 (2022 £764,156).

The Round Square Board of Trustees received £1,989 reimbursed travel expenses relating to the work of the Charity during the reported year (2022 £325). There were no transactions with trustees in the year.

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

5. TANGIBLE FIXED ASSETS

| Office Equipment, Fixtures and Fittings | 2023 | 2022 |
|--|---------------|---------------|
| | £ | £ |
| Cost | | |
| At 1 August 2022 | 74,835 | 74,835 |
| Additions | 6,750 | - |
| At 31 July 2023 | 81,585 | 74,835 |
| Depreciation | | |
| At 1 August 2022 | 26,157 | 18,285 |
| Depreciation | 8,326 | 7,872 |
| At 31 July 2023 | 34,483 | 26,157 |
| Net book value | 47,102 | 48,678 |

6. DEBTORS

| | 2023 | 2022 |
|--------------------------------|---------------|----------------|
| | £ | £ |
| Trade debtors | 19,076 | 234,488 |
| Less Provision for bad debts | - | (14,012) |
| Other debtors | 1,020 | 836 |
| Prepayments and accrued income | 50,289 | 268,946 |
| VAT Recoverable | 12,921 | 17,137 |
| | 83,306 | 507,395 |

7. CREDITORS: Amounts falling due within one year

| | 2023 | 2022 |
|-----------------------------------|----------------|------------------|
| | £ | £ |
| Trade creditors | 16,672 | 85,455 |
| Subscriptions received in advance | 160,703 | 144,980 |
| RSIC2022 monies in advance | - | 1,564,274 |
| Other taxes and social security | 13,863 | 14,184 |
| Other creditors | 39,609 | 3,219 |
| Accruals | 13,650 | 32,317 |
| | 244,497 | 1,844,429 |

Prior year's subscription and project income of £144,980 was all released to the SOFA this year. Deferred subscription received in advance during this year £160,703 will be released on an activity basis.

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

8. TAXATION

The company is a Registered Charity (No. 327117) and is not liable to tax on its surpluses generated by charitable activities.

9. CONSTITUTION

The company is limited by guarantee. The maximum liability of each member on winding up is £1.

10. FUNDS

| | Balance at 1 August 2022 £ | Income £ | Expenditure £ | Transfers between Funds £ | Balance at 31 July 2023 £ |
|----------------------------------|-------------------------------------|------------------|------------------|------------------------------------|------------------------------------|
| Unrestricted Funds | | | | | |
| General Funds | 382,755 | 2,871,977 | 2,862,970 | 13,000 | 404,762 |
| Designated Funds | | | | | |
| Project Development Fund | 153,515 | - | - | - | 153,515 |
| Discovery Fund | 267,085 | 6,374 | - | (13,000) | 260,459 |
| Restricted Funds | | | | | |
| Hill Trust | 2,111 | - | - | - | 2,111 |
| Prince Alexander Project Fund | 23,648 | - | - | - | 23,648 |
| Aumund Foundation | - | 12,549 | 12,549 | - | - |
| TOTAL FUNDS | 829,114 | 2,890,900 | 2,875,519 | - | 844,495 |

Please refer to note 14 for comparison figures.

Restricted Funds:

The Hill Trust relates to donations received towards the provision of bursary support for students that could not otherwise afford to participate in RSIS projects.

The Prince Alexander Project fund was created to generate funds for the building materials (bricks and mortar) element of the Round Square International Service (RSIS) projects, and is no longer receiving income donations and will be spent out over the coming years. It is not used for administrative purposes.

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

Designated Funds:

The Project Development Fund represents monies that the Trustees have earmarked for organisational development projects.

The Discovery Fund has been designated to accept donations from Member Schools to Round Square, and from other income sources, and will be used to fund a variety of support programmes e.g. RSIS Project and Conference activity including building materials and tools, transport of those materials and tools to project sites and bursaries for students that could not otherwise afford to participate in RSIS projects or the RSIC.

As Round Square is a Charitable Trust, the accumulated funds do not belong to the members. If, upon the winding-up or dissolution of the Trust there remains, after satisfaction of all debts and liabilities, any property whatsoever, then, under the terms of the company's memorandum, this must be transferred to some other charitable institution having similar charitable objects to the company. All unrestricted reserves are held for supporting the charitable objectives of the company.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Fixed assets £ | Net Current Assets £ | Total £ |
|---------------------|----------------------|-------------------------------|----------------|
| Unrestricted funds: | | | |
| - General | 47,102 | 357,660 | 404,762 |
| - Designated | - | 413,974 | 413,974 |
| Restricted Funds | - | 25,759 | 25,759 |
| | <u>47,102</u> | <u>797,393</u> | <u>844,495</u> |

Please refer to note 15 for comparison figures.

12. OPERATING LEASES

The Charity entered into an operating lease rental agreement on 22 February 2019. The term ends on 21 February 2029. The outstanding commitment at 31 July 2023 is £281,793, which is the entire commitment over the life of the lease (with an annual rent of £50,470).

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

13. COMPARATIVE ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES – YEAR ENDED 31 JULY 2022

| | Activity Costs | General Support | Governance | Total | Basis of apportionment | |
|------------------------------------|----------------|-----------------|---------------|------------------|------------------------|-----|
| Charitable activities | | | | | | |
| Membership – Support & Recruitment | 87,652 | 413,953 | 9,116 | 510,721 | Resource | 45% |
| Research and Development | 80,467 | 165,581 | 3,647 | 249,695 | Resource | 18% |
| Digital & Other Communications | 10,895 | 147,183 | 3,241 | 161,319 | Resource | 16% |
| Conference Expenditure | - | 101,189 | 2,228 | 103,417 | Resource | 11% |
| RSIS/Service Project Expenditure | - | 91,990 | 2,026 | 94,016 | Resource | 10% |
| TOTAL | 179,014 | 919,896 | 20,258 | 1,119,168 | | |

14. COMPARATIVE ANALYSIS OF FUNDS – YEAR ENDED 31 JULY 2022

| | Balance at 1 August 2021 £ | Income £ | Expenditure £ | Transfers between Funds £ | Balance at 31 July 2022 £ |
|---------------------------|-------------------------------------|------------------|------------------|------------------------------------|------------------------------------|
| Unrestricted Funds | | | | | |
| General Funds | 356,310 | 1,101,023 | 1,074,578 | - | 382,755 |
| Designated Funds | | | | | |
| Project Development Fund | 198,105 | - | 44,590 | - | 153,515 |
| Discovery Fund | 256,031 | 11,054 | - | - | 267,085 |
| Restricted Funds | | | | | |
| Hill Trust | 2,111 | - | - | - | 2,111 |
| Prince Alexander Fund | 23,648 | - | - | - | 23,648 |
| TOTAL FUNDS | 836,205 | 1,112,077 | 1,119,168 | - | 829,114 |

THE ROUND SQUARE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2023

15. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS – YEAR ENDED 31 JULY 2022

| | Fixed assets £ | Net Current Assets £ | Total £ |
|---------------------|----------------------|-------------------------------|----------------|
| Unrestricted funds: | | | |
| - General | 48,678 | 334,077 | 382,755 |
| - Designated | - | 420,600 | 420,600 |
| Restricted Funds | - | 25,759 | 25,759 |
| | <u>48,678</u> | <u>780,436</u> | <u>829,114</u> |

16. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| INCOME & EXPENDITURE | Notes | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | 2022 Total £ |
|---------------------------------|-------|----------------------------|--------------------------|--------------------------|--------------------|
| Income from: | | | | | |
| Charitable activities | 2a | 1,099,564 | 4,834 | - | 1,104,398 |
| Donations and grants | 2b | - | 6,220 | - | 6,220 |
| Investment Income | 2c | 79 | - | - | 79 |
| Other | 2d | 1,380 | - | - | 1,380 |
| | | <u>1,101,023</u> | <u>11,054</u> | <u>-</u> | <u>1,112,077</u> |
| Expenditure on: | | | | | |
| Charitable activities | 3 | 1,074,578 | 44,590 | - | 1,119,168 |
| | | <u>1,074,578</u> | <u>44,590</u> | <u>-</u> | <u>1,119,168</u> |
| Net income | | | | | |
| Transfer between funds | | | | | |
| Net movement in funds | | 26,445 | (33,536) | - | (7,091) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 356,310 | 454,136 | 25,759 | 836,205 |
| Total funds carried forward | | <u>382,755</u> | <u>420,600</u> | <u>25,759</u> | <u>829,114</u> |