

Charity No. XR19749

NI Charity registration No. NIC103597

Company Registration No. NI032115

**RUA TRUST**

**(COMPANY LIMITED BY GUARANTEE)  
ANNUAL REPORT AND UNAUDITED  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JANUARY 2021**

## RUA TRUST

### LEGAL AND ADMINISTRATIVE INFORMATION

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Charity number	XR19749
NI Charity registration number	NIC 103597
Company number	NI032115
Principal address	59 North Street Belfast BT1 1NB
Registered office	Bridge, Chartered Accountants Ormeau House 91-97 Ormeau Road Belfast BT7 1SH
Independent examiner	Bridge, Chartered Accountants Suite 7, Ormeau House 91-97 Ormeau Road Belfast BT7 1SH

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# RUA TRUST

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# RUA TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2021

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The trustees present their report and accounts for the year ended 31 January 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's memorandum and articles of association, the Companies Act 2006 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 and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### Objectives and activities

The RUA Trust's objectives are to advance by all appropriate means the education of the public by the promotion and exhibitions of works of fine and applied arts in Northern Ireland. The main activity in the period was the 139th Annual Exhibition traditionally held in the Ulster Museum from 16th October 2020 to January 2021. This year the exhibition was severely affected by the restrictions brought about by Covid -19 and the coronavirus pandemic. The exhibition opened for one day only on 16th of October. It remained closed until December opening again on Dec 11th and closed on December 23rd. During this time visitors to the Ulster Museum were by pre booked appointment. Expected sales of artwork were severely affected and only continued during this period due to the e-commerce facility on the new website.

The RUA Trust also produced a Virtual Annual Exhibition from Marshall Arts Media which was hosted on the Website. This allowed online access to a 3D interactive model of the Exhibition and allowed the RUA Trust to facilitate Zoom talks and online workshops. There were no actual lectures, tours or classes for the public or schools held at the Ulster Museum as a result of social distancing rules.

The Trustees have paid due regard to guidance issued by the Northern Ireland Government and the Charity Commission in deciding what activities the Trust was able to undertake.

### Financial review

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The RUA Trust considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Structure, governance and management

RUA Trust was incorporated under the Companies Act (Northern Ireland) 2006 on 14 March 1997 and is a company limited by guarantee, not having a share capital. It is also a registered charity.

The trustees' have overall responsibility for ensuring that the trust has an appropriate system of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the trust is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the trust complies with relevant laws and regulations and operates to the public benefit test.

# RUA TRUST

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JANUARY 2021

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### Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Ms Betty Brown	President	
Mr Peter Neill	Vice President	
Ms Joanna Myles	Vice President	
Mr Sean McCann	Honorary Treasurer	
Dr Rosemary Kelly	Honorary Secretary	
Ms Noelle McAlinden		(Resigned 05/09/2020)
Mr Tony Hill		
Mr Julian Friers		
Mr Keith Wilson		
Mr Daniel Dowling		(Appointed 05/09/2020)
Ms Maggi Bowen		(Appointed 05/09/2020)
Dr Wendy Austin		(Appointed 05/09/2020)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

The trustees' report was approved by the Board of Trustees.

Ms B Brown  
President  
Dated: 27 May 2021



Mr S McCann  
Treasurer  
Dated: 27 May 2021



# RUA TRUST

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RUA TRUST

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I report on the accounts of the trust for the year ended 31 January 2021, which are set out on pages 4 to 12.

### Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 65 of the Charities Act;
- (ii) follow the procedures laid down in the general directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act; and
- (iii) state whether particular matters have come to my attention.

### Basis of independent examiner's report

I have examined your trust accounts as required under section 65 of the Charities Act and my examination was carried out in accordance with the general directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act. The examination included a review of the accounting records kept by the trust and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as the trust's trustees concerning any such matters.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with section 386 of the Companies Act 2006
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the 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
4. That there is further information needed for a proper understanding of the accounts to be reached.

### Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the directions of the Charity Commission for Northern Ireland, I have found no matters that require drawing to your attention.



Mr Seamus Dawson  
for and on behalf of Bridge, Chartered Accountants  
Suite 7, Ormeau House  
91-97 Ormeau Road  
Belfast  
BT7 1SH

Dated: 27 May 2021

# RUA TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2021

	Notes	Unrestricted funds £	Designated funds £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	66,952	-	66,952	56,805
Charitable activities	4	20,981	-	20,981	49,252
Investments	5	65	-	65	154
Other income	6	4,096	-	4,096	-
<b>Total income</b>		<b>92,094</b>	<b>-</b>	<b>92,094</b>	<b>106,211</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	7	87,705	-	87,705	116,128
<b>Net movement in funds</b>		<b>4,389</b>	<b>-</b>	<b>4,389</b>	<b>(9,917)</b>
Fund balances at 1 February 2020		68,544	327,020	395,564	405,481
<b>Fund balances at 31 January 2021</b>		<b>72,933</b>	<b>327,020</b>	<b>399,953</b>	<b>395,564</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# RUA TRUST

## BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		331,996		331,344
<b>Current assets</b>					
Debtors	12	11,276		39,337	
Cash at bank and in hand		131,775		169,290	
		<u>143,051</u>		<u>208,627</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(75,094)</u>		<u>(144,407)</u>	
Net current assets			67,957		64,220
<b>Total assets less current liabilities</b>			<u>399,953</u>		<u>395,564</u>
<b>Income funds</b>					
Designated funds - Diploma Collection	14		327,020		327,020
Unrestricted funds			72,933		68,544
			<u>399,953</u>		<u>395,564</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees are responsible for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

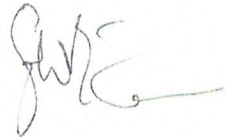
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 27 May 2021

Ms B Brown  
Trustee



Mr S McCann  
Trustee



Company Registration No. NI032115

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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### 1 Accounting policies

#### Charity information

RUA Trust is a private company limited by guarantee incorporated in Northern Ireland. The registered office is Bridge, Chartered Accountants, Ormeau House, 91-97 Ormeau Road, Belfast, BT7 1SH.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the trust's memorandum and articles of association, the Companies Act 2006 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 and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Management has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern. The impact of COVID-19 on future performance and therefore on the measurement of some assets and liabilities or on liquidity might be significant and might therefore require disclosure in the financial statements, but management has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

#### 1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is accounted for on an accruals basis, net of recoverable VAT. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Diploma Collection	0%

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The last valuation of the Diploma Collection was carried out in 2014.

#### 1.7 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

### 1 Accounting policies

(Continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

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

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

### 3 Donations and legacies

	2021	2020
	£	£
Donations and Grants	44,897	31,430
Membership & Submission fees	22,055	25,375
	<u>66,952</u>	<u>56,805</u>

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

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4	Charitable activities	2021	2020
		£	£
	Commission		
	Other income	20,981	47,267
		-	1,985
		<u>20,981</u>	<u>49,252</u>
5	Investments	2021	2020
		£	£
	Interest receivable	65	154
		<u>65</u>	<u>154</u>
6	Other income	2021	2020
		£	£
	Job Retention Scheme Grant	4,096	-
		<u>4,096</u>	<u>-</u>

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

### 7 Charitable activities

	2021 £	2020 £
Share of support costs (see note 8)	82,565	110,346
Share of governance costs (see note 8)	5,140	5,782
	<u>87,705</u>	<u>116,128</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>87,705</u>	
	<u>87,705</u>	
<b>For the year ended 31 January 2020</b>		
Unrestricted funds		<u>116,128</u>
		<u>116,128</u>

### 8 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	26,469	-	26,469	35,740	
Depreciation	2,778	-	2,778	2,092	
Premise costs	8,851	-	8,851	11,952	
Administration costs	37,584	-	37,584	39,216	
Sundry expenses	3,427	-	3,427	2,699	
Room Hire and Catering	223	-	223	4,073	
Bad debts written off	2,316	-	2,316	-	
Bank Charges	177	-	177	354	
Education costs	-	-	-	4,598	
Catalogue costs	-	-	-	8,329	
Postage and packaging expenses	740	-	740	1,293	
Accountancy fees	-	2,100	2,100	1,813	Governance
Legal and professional	-	3,040	3,040	3,969	Governance
	<u>82,565</u>	<u>5,140</u>	<u>87,705</u>	<u>116,128</u>	
<b>Analysed as</b>					
Charitable activities	<u>82,565</u>	<u>5,140</u>	<u>87,705</u>	<u>116,128</u>	

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Employees	2	3
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	£	£
Wages and salaries	26,469	35,740

There were no employees whose annual remuneration was £60,000 or more.

### 10 Tangible fixed assets

	Fixtures and fittings £	Diploma Collection £	Total £
<b>Cost</b>			
At 1 February 2020	13,470	327,020	340,490
Additions	3,430	-	3,430
At 31 January 2021	16,900	327,020	343,920
<b>Depreciation and impairment</b>			
At 1 February 2020	9,146	-	9,146
Depreciation charged in the year	2,778	-	2,778
At 31 January 2021	11,924	-	11,924
<b>Carrying amount</b>			
At 31 January 2021	4,976	327,020	331,996
At 31 January 2020	4,324	327,020	331,344

### 11 Financial instruments

	2021 £	2020 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	11,276	39,337
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	57,993	136,935

# RUA TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

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12	Debtors		
	Amounts falling due within one year:	2021	2020
		£	£
	Trade debtors	11,276	39,337
		<u>11,276</u>	<u>39,337</u>
13	Creditors: amounts falling due within one year		
		2021	2020
		£	£
	Other taxation and social security	17,101	7,472
	Trade creditors	54,544	129,562
	Accruals and deferred income	3,449	7,373
		<u>75,094</u>	<u>144,407</u>

### 14 Designated funds

The Designated Reserve is equal to the amount of the Diploma collection (see fixed assets - £327,020).

### 15 Related party transactions

The Trustee's have been identified as related parties to the charity. Throughout the year, commission earned by the charity from the sale of art to Trustee's totalled £482,50.

In line with custom and practice, Trustee's are eligible of a 5% discount on exhibition purchases, however in the 2020/2021 year, none of the trustee's took the discount available to them.