

COMPANY REGISTRATION NUMBER: NI659778
CHARITY REGISTRATION NUMBER: 108163

Rural Action
Company Limited by Guarantee
Financial Statements
31 March 2024

Finegan Gibson Ltd
Chartered accountants & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Rural Action

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2024

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Rural Action

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024.

Reference and administrative details

Registered charity name	Rural Action
Charity registration number	108163
Company registration number	NI659778
Principal office and registered office	Administration Building Loughry College Cookstown BT80 9AA Tyrone

The trustees

T McNally
A McAdam
S Henry
Dr M Farrell
K Addis

Auditor	Finegan Gibson Ltd Chartered accountants & statutory auditor Causeway Tower 9 James Street South Belfast BT2 8DN
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Bankers	Ulster Bank Ltd 11-16 Donegall Square East Belfast BT1 5UB
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Rural Action

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Structure, governance and management

Rural Action was established in 2019 with the objective of inspiring action and to make positive contribution to the everyday lives of rural people. The organisation is a charitable company limited by guarantee incorporated on 14 March 2019 and is registered as a charity (NIC108163). The Company was established under a Memorandum of Association and is governed under its Articles of Association.

Directors and Trustees

The Directors of the charitable company (the Charity) are its trustees for the purpose of charity law and are known as members of the Rural Action Board. The Rural Action Board has 5 members (who meet at least 6 times per year) representing a range of relevant interests/experience including those involved in the business community, community/voluntary sector, education and training.

Trustees Induction and Training

Induction and Training is provided to Trustees when they join the Board. A skills audit has been completed this year to identify any potential gaps which will be addressed through training or future recruitment drives. This will support the Board in carrying out their duties.

Risk Management

The Rural Action Board has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is presented at each Board meeting. It is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Organisational Structure

The current staffing structure of Rural Action includes the following roles: Chief Executive Officer
Head of Finance & Governance
Head of Programmes
Head of Regeneration & Communities
Programme Officers x 2
Programme Support Officers x 2
Finance Administrators x 2
Administrator

Rural Action

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Objectives and activities

Rural Action's vision is of a living, working, sustainable and shared community. It's mission is to inspire action and to make a positive contribution to the everyday lives of rural people.

It aims to do this by:

- Championing the needs of rural communities through consultation and community development projects
- Designing, delivering and inspiring practical community-based projects and actions to alleviate poverty, ensure economic vibrancy and promote health & social wellbeing
- Encouraging and promoting social and economic development and entrepreneurship to relieve those in need by reason of youth, age, ill health, disability, financial hardship or other disadvantage
- Making our communities inclusive and attractive places to live by assisting and engaging communities to develop an interest in local culture, history, arts and traditions and through the promotion of equality and diversity

The achievements listed below detail Rural Action's performance for 2023-2024 in advancing its said objectives.

Public Benefit Statement

The trustees have regard to the Charity Commission's guidance on public benefit.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Achievements and performance

Rural Action is a registered charity and a company limited by guarantee. It operates across Northern Ireland and the border region of Ireland from a base in Cookstown, Co. Tyrone. It has a small staff team of 11 and is managed by a voluntary Board of Directors/Trustees.

A full account of Rural Action's achievements during the year are listed below.

Strategic Aim 1: To Champion the needs of rural communities through consultation and community development projects

- Objective 1: Respond, engage and support relevant policy and programme consultations, stakeholder meetings/events and evaluation work to champion rural needs
- Objective 2: Work in partnership with local and central government and the community voluntary sector to make recommendations for future rural service delivery
- Objective 3: Carry out research and evidence rural needs
- Objective 4: Pilot and test rural projects to inform future delivery

Outputs

- 21 meetings/events and engagements attended
- 1 strategic cross border pilot project implementing in partnership with Irish Rural Link
- 1 joint cross border rural community needs survey to 100 community-based organisations (50 in Northern Ireland 50 in Ireland)
- 1 Rural Needs Focus Group established - 3 sessions held
- 4 pipeline projects developed
- 3 evaluations completed

Strategic Aim 2: To design, deliver, implement and inspire practical community-based projects and actions to alleviate poverty, ensure economic vibrancy and promote health & social well-being

- Objective 1: Design, delivery and implement projects that benefit people and places
- Objective 2: To maintain Rural Action as an Open College Network (OCN) Accredited Centre for the delivery of training to communities
- Objective 3: To establish the Rural Action Awards scheme to support and inspire rural community action

Outputs

- Managing agent for the International Fund for Ireland (IFI) Personal Youth Development Programme (PYDP) in Northern Ireland supporting communities to help at risk young people to build and develop life skills that foster good relations, build confidence and resilience and make them more employable
 - 7 applications assessed and recommendation reports completed
 - 36 projects approved and implementing
 - Letters of Offer issued totalling £6.14million
 - 825 young people engaging
- Managing agent for the IFI Communities in Partnership Programme (CIPP) in Northern Ireland supporting communities to foster good relations and support community initiatives on a cross border basis
 - 7 applications assessed and recommendation reports completed
 - 15 projects approved and implementing
 - 37 cross border organisations participating
 - Letters of Offer issued totalling £1.9million

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

- 1 new pilot programme Transforming Local Leadership implementing and engaging 9 groups and 53 participants
- Partner with Mid Ulster District Council in the delivery of the Connecting Pomeroy project to develop community capacity and engagement activities to support social well-being, inclusion and village regeneration
 - 40 groups engaging in community capacity and engagement activities
 - 1,640 people participating in programmes
 - 3 Project Steering Group meetings attended
- Maintain Rural Action as OCN Centre for delivering training to communities - annual external verification conducted August 2023
- Continuation of the Rural Action Awards scheme to support and inspire rural community action
 - 282 applications received from rural Northern Ireland and the border region
 - 12 awards presented to community-based organisations
 - 7 recipient groups based in Northern Ireland (£7,000)
 - 5 recipient groups based in border region (€5,000)

Rural Action Awards Scheme

During the financial year the Board agreed to continue to implement the Rural Action Awards scheme (Strategic Aim 2 Objective 3). The scheme is designed to support volunteer led community action projects. It is open to constituted rural community-based organisations undertaking projects that alleviate poverty, ensure economic vibrancy, and promote health & social wellbeing locally. A total of 12 awards were made during the period to the value of £11,898.

Strategic Aim 3: To encourage and promote social and economic development and entrepreneurship to relieve those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage

- Objective 1: Inspire communities through the exchange of information, sharing of stories and practice
- Objective 2: To develop a rural centre of excellence demonstrating social entrepreneurship in action

Outputs

- 2 study visits completed in partnership with Irish Rural Link
- Exchange of information on a joint Environmental programme
- Identification of Shared Issues/Themes on a cross-border basis (Energy & Climate, Community Development/Rural Regeneration, Social Enterprise and cross-border Collaboration)
- Increase in social media traffic (up by 45% on previous year)
- Increase in website users (up by 37% on previous year)
- Ongoing discussions with DAERA/CAFRE on the redevelopment of Lindsay Hall as a centre for rural excellence and to further promote social entrepreneurship in rural areas

Strategic Aim 4: To make our communities inclusive and attractive places to live by assisting and engaging communities to develop an interest in local culture, history, arts and traditions and through the promotion of equality and diversity

- Objective 1: Promote good relations and support actions for inclusion and effective community engagement
- Objective 2: Engage in projects and programmes that encourage a better understanding of local identity, culture and heritage

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Outputs

- 30 community-based organisations participating in good relations training and awareness workshops/events

Strategic Aim 5: Good Governance and Corporate Management

- Objective 1: To deliver on budget
- Objective 2: Corporate Governance, Board and Organisational Development **Outputs**
- Financial Management
 - Annual budget agreed with Board
 - Monthly management reports and cashflow statements produced for Board
 - Annual accounts presented at AGM
 - Satisfactory assurance in External audit reports
 - Implementation of financial procedures & procurement guidance
 - Budget profiles & expenditure reports prepared for funders
 - Submission of claims to funders within agreed deadlines
 - Review & update of financial procedures & policy
 - Review of Corporation Tax & VAT position
- Strategy
 - Operational plan agreed and monitored by Board
- Human Resources
 - Review and update policies and procedures
 - Board Induction
 - Staff handbook compiled
 - Board Skills Audit completed
 - Carry out recruitment exercises as required

Rural Action

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Financial review

Rural Action receives support from the International Fund for Ireland as their Managing Agent for the Personal Youth Development Programme (PYDP) and the Communities in Partnership Programme (CiPP); the Department of Agriculture, Environment and Rural Affairs (DAERA) Tackling Rural Poverty and Social Inclusion (TRPSI) Programme, Mid Ulster District Council Connecting Pomeroy Project, with funding provided by the EU's PEACE IV Programme, managed by the Special EU Programmes Body (SEUPB), Department of of Foreign Affairs (DFA) Shared Island Fund and Department for Communities (DfC) Village Catalyst.

Reserves

The total funds held by the charity at 31st March 2024 is £322,115, of which £84,793 is restricted and not available for the general purposes of the charity. A designation of £12,000 has been set aside for the Rural Action Awards. These awards are designed to support volunteer led community action projects that alleviate poverty, ensure economic vibrancy, and promote health & social well-being locally. The organisation currently operates out of the Administration Building of the CAFRE Loughry Estate. A major redevelopment of the estate is planned within the next 12-15 months, with the Administration Building due to be demolished. A designation of £50,000 has been set aside to pursue alternative accommodation over the next 2 years.

The Trustees have examined the charity's requirements for reserves considering the main risks to the organisation. They have established a policy whereby the unrestricted funds not designated for a particular purpose or invested in tangible assets held by the charity should be equal to the value of six months expenditure based on senior management salaries, overheads and accrued statutory redundancy liability. The trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that there are sufficient funds available to cover support and governance costs. The balance held as free reserves at 31/03/2024 was £173,524 against an actual 6 months expenditure of £146,624. The current level of reserves is therefore higher. The organisation is entering a new period of programme development and regards this as prudent.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

Rural Action

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 charity will continue in business.

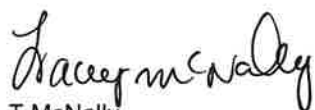
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 5 December 2024 and signed on behalf of the board of trustees by:



T McNally
Trustee



K Addis
Trustee

Rural Action

Company Limited by Guarantee

Independent Auditor's Report to the Members of Rural Action

Year ended 31 March 2024

Opinion

We have audited the financial statements of Rural Action (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 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;
- 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Rural Action

Company Limited by Guarantee

Independent Auditor's Report to the Members of Rural Action *(continued)*

Year ended 31 March 2024

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Rural Action

Company Limited by Guarantee

Independent Auditor's Report to the Members of Rural Action *(continued)*

Year ended 31 March 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Rural Action

Company Limited by Guarantee

Independent Auditor's Report to the Members of Rural Action *(continued)*

Year ended 31 March 2024

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

Rural Action

Company Limited by Guarantee

Independent Auditor's Report to the Members of Rural Action *(continued)*

Year ended 31 March 2024

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Rural Action

Company Limited by Guarantee

Independent Auditor's Report to the Members of Rural Action *(continued)*

Year ended 31 March 2024

As explained more fully in the Trustees' Responsibilities Statement (set out on page 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standard for Auditors', in in the circumstances set out in note 24 to the financial statements.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conor Dolan FCA (Senior Statutory Auditor)

For and on behalf of
Finegan Gibson Ltd
Chartered accountants & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

5 December 2024

Rural Action

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2024

		Unrestricted funds £	2024 Restricted funds £	Total funds £	2023 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	19,500	–	19,500	29,720
Charitable activities	6	10,925	452,528	463,453	867,830
Total income		<u>30,425</u>	<u>452,528</u>	<u>482,953</u>	<u>897,550</u>
Expenditure					
Expenditure on charitable activities	7,8	<u>115,566</u>	<u>429,969</u>	<u>545,535</u>	<u>572,838</u>
Total expenditure		<u>115,566</u>	<u>429,969</u>	<u>545,535</u>	<u>572,838</u>
Net (expenditure)/income		<u>(85,141)</u>	<u>22,559</u>	<u>(62,582)</u>	<u>324,712</u>
Transfers between funds		(700)	700	–	–
Net movement in funds		<u>(85,841)</u>	<u>23,259</u>	<u>(62,582)</u>	<u>324,712</u>
Reconciliation of funds					
Total funds brought forward		323,163	61,534	384,697	59,985
Total funds carried forward		<u>237,322</u>	<u>84,793</u>	<u>322,115</u>	<u>384,697</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 18 to 28 form part of these financial statements.

Rural Action


Company Limited by Guarantee

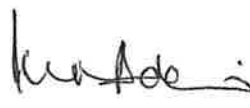
Statement of Financial Position

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	14	1,798	5,104
Current assets			
Debtors	15	110,872	95,086
Cash at bank and in hand		240,869	301,658
		<u>351,741</u>	<u>396,744</u>
Creditors: amounts falling due within one year	16	31,424	17,151
Net current assets		<u>320,317</u>	<u>379,593</u>
Total assets less current liabilities		<u>322,115</u>	<u>384,697</u>
Net assets		<u>322,115</u>	<u>384,697</u>
Funds of the charity			
Restricted funds		84,793	61,534
Unrestricted funds		237,322	323,163
Total charity funds	19	<u>322,115</u>	<u>384,697</u>

These financial statements were approved by the board of trustees and authorised for issue on 5 December 2024, and are signed on behalf of the board by:


T McNally
Trustee


K Addis
Trustee

The notes on pages 18 to 28 form part of these financial statements.

Rural Action

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(62,582)	324,712
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	4,147	7,154
Accrued expenses/(income)	7,754	(3,108)
<i>Changes in:</i>		
Trade and other debtors	(15,786)	(3,064)
Trade and other creditors	6,519	(145,987)
Cash generated from operations	(59,948)	179,707
Tax paid	—	(2,146)
Net cash (used in)/from operating activities	<u>(59,948)</u>	<u>177,561</u>
Cash flows from investing activities		
Purchase of tangible assets	(841)	(3,632)
Net cash used in investing activities	<u>(841)</u>	<u>(3,632)</u>
Net (decrease)/increase in cash and cash equivalents	(60,789)	173,929
Cash and cash equivalents at beginning of year	<u>301,658</u>	<u>127,729</u>
Cash and cash equivalents at end of year	<u>240,869</u>	<u>301,658</u>

The notes on pages 18 to 28 form part of these financial statements.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is Administration Building, Loughry College, Cookstown, BT80 9AA, Tyrone.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Each of the members of the company has guaranteed to contribute to the assets of the company in the event of the same being wound up to the extent of £1.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations	19,500	19,500	29,720	29,720
Donations				

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
IFI	-	-	-
MUDC EU PIV Connecting Pomeroy	-	340,920	340,920
AHF	-	80,236	80,236
Department of Foreign Affairs: Shared Island Civic	-	-	-
Society Fund	10,925	31,372	31,372
Miscellaneous income	-	-	10,925
DAERA - Halls training	10,925	-	-
	<u>10,925</u>	<u>452,528</u>	<u>463,453</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
IFI	-	-	-
MUDC EU PIV Connecting Pomeroy	-	344,860	344,860
AHF	-	89,703	89,703
Department of Foreign Affairs: Shared Island Civic	-	7,385	7,385
Society Fund	20,380	-	20,380
Miscellaneous income	405,502	-	405,502
DAERA - Halls training	425,882	441,948	867,830
	<u>425,882</u>	<u>441,948</u>	<u>867,830</u>

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Rural development	86,644	398,119	484,763
Support costs	28,922	31,850	60,772
	<u>115,566</u>	<u>429,969</u>	<u>545,535</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Rural development	172,118	342,648	514,766
Support costs	27,365	30,707	58,072
	<u>199,483</u>	<u>373,355</u>	<u>572,838</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Rural development	484,763	55,817	540,580	567,247
Governance costs	–	4,955	4,955	5,591
	<u>484,763</u>	<u>60,772</u>	<u>545,535</u>	<u>572,838</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2024 £	Total 2023 £
Staff costs	51,982	51,982	50,006
Finance costs	2,935	2,935	2,475
Governance costs	4,955	4,955	5,591
	<u>59,872</u>	<u>59,872</u>	<u>58,072</u>

10. Net (expenditure)/income

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

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>4,147</u>	<u>7,154</u>

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

11. Auditors remuneration

	2024	2023
	£	£
Fees payable for the audit of the financial statements	<u>4,668</u>	<u>5,335</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	378,561	377,256
Social security costs	33,151	37,786
Employer contributions to pension plans	<u>8,364</u>	<u>9,402</u>
	<u>420,076</u>	<u>424,444</u>

The average head count of employees during the year was 12 (2023: 11).

The number of employees whose remuneration for the year fell within the following bands, were:

	2024	2023
	No.	No.
£60,000 to £69,999	—	1
£70,000 to £79,999	<u>1</u>	<u>—</u>
	<u>1</u>	<u>1</u>

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £197,115 (2023:£202,025).

13. Trustee remuneration and expenses

The trustees of the charity were not paid and did not receive any other benefits from employment with the Charity in the year (2023: Nil). The trustees were not reimbursed for any expenses incurred during the year (2023:Nil).

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

14. Tangible fixed assets

	Equipment £
Cost	
At 1 April 2023	21,679
Additions	841
At 31 March 2024	<u>22,520</u>
Depreciation	
At 1 April 2023	16,575
Charge for the year	4,147
At 31 March 2024	<u>20,722</u>
Carrying amount	
At 31 March 2024	1,798
At 31 March 2023	<u>5,104</u>

15. Debtors

	2024 £	2023 £
Trade debtors	108,383	92,101
Prepayments and accrued income	2,489	2,985
	<u>110,872</u>	<u>95,086</u>

16. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	13,338	6,819
Accruals and deferred income	18,086	10,332
	<u>31,424</u>	<u>17,151</u>

17. Deferred income

	2024 £	2023 £
At 1 April 2023	–	128,586
Amount released to income	–	(128,586)
At 31 March 2024	<u>–</u>	<u>–</u>

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £8,364 (2023: £9,402).

19. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
General funds	261,163	30,425	(115,566)	(700)	175,322
Rural Action Awards	12,000	–	–	–	12,000
Alternative accommodation fund	50,000	–	–	–	50,000
	<u>323,163</u>	<u>30,425</u>	<u>(115,566)</u>	<u>(700)</u>	<u>237,322</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
General funds	66,544	455,602	(199,483)	(61,500)	261,163
Rural Action Awards	–	–	–	12,000	12,000
Alternative accommodation fund	–	–	–	50,000	50,000
	<u>66,544</u>	<u>455,602</u>	<u>(199,483)</u>	<u>500</u>	<u>323,163</u>

A designation of £12,000 has been set aside for the Rural Action Awards, which will be spent in the next 12 months. These awards are designed to support volunteer led community action projects that alleviate poverty, ensure economic vibrancy, and promote health & social well-being locally.

The organisation currently operates out of the Administration Building of the CAFRE Loughry Estate. A major redevelopment of the estate is planned within the next 12-15 months, with the Administration Building due to be demolished. A designation of £50,000 has been set aside to pursue alternative accommodation over the next 2 years.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

19. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
IFI PYDP	63,945	244,039	(243,188)	(841)	63,955
IFI CIPP	-	96,881	(96,881)	-	-
MUDC EU PIV	-	-	-	-	-
Connecting Pomeroy AHF	(2,411)	80,236	(79,366)	1,541	-
Department of Foreign Affairs: Shared Island Civic Society Fund	-	-	-	-	-
	-	31,372	(10,534)	-	20,838
	<u>61,534</u>	<u>452,528</u>	<u>(429,969)</u>	<u>700</u>	<u>84,793</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
IFI PYDP	-	306,172	(240,442)	(1,785)	63,945
IFI CIPP	-	38,688	(36,844)	(1,844)	-
MUDC EU PIV	-	-	-	-	-
Connecting Pomeroy AHF	(6,559)	89,703	(88,239)	2,684	(2,411)
Department of Foreign Affairs: Shared Island Civic Society Fund	-	7,385	(7,830)	445	-
	-	-	-	-	-
	<u>(6,559)</u>	<u>441,948</u>	<u>(373,355)</u>	<u>(500)</u>	<u>61,534</u>

Department of Foreign Affairs

Rural Action received £31,372 (€37,385) during the 23/24 financial year for the Synergy: Rural Collaboration Project from the Department of Foreign Affairs: Shared Island Civic Society Fund.

Transfers between funds

Transfers out of restricted funds relate to the purchase of fixed assets with restricted funding, on which there is no longer a restriction. Transfers into restricted funds from unrestricted funds are to meet overspends in projects which cannot be reclaimed from funders.

Rural Action

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2024

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	1,798	-	1,798
Current assets	266,518	85,223	351,741
Creditors less than 1 year	(30,994)	(430)	(31,424)
Net assets	<u>237,322</u>	<u>84,793</u>	<u>322,115</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	5,104	-	5,104
Current assets	330,836	65,908	396,744
Creditors less than 1 year	(12,777)	(4,374)	(17,151)
Creditors greater than 1 year	-	-	-
Net assets	<u>323,163</u>	<u>61,534</u>	<u>384,697</u>

21. Taxation

The Company is a registered charity, and as such is entitled to tax exemptions on income and profits in furtherance of the charity's primary objectives.

22. Analysis of changes in net debt

	At 1 Apr 2023 £	Cash flows £	At 31 Mar 2024 £
Cash at bank and in hand	<u>301,658</u>	<u>(60,789)</u>	<u>240,869</u>

23. Contingencies

A contingent liability exists to repay grants and Trust monies received should certain conditions not be fulfilled by the charity. In the opinion of the Trustees, the terms of the Letters of Offers have been, or will be, complied with and no liability is expected.

24. Ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.