

Charity registration number 20013769

**ROYAL HIBERNIAN ACADEMY OF ARTS  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

# ROYAL HIBERNIAN ACADEMY OF ARTS

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **Council Members**

Abigail O'Brien - President  
Eithne Jordan - Keeper  
James Hanley  
Pat Harris  
Alice Maher  
Dorothy Smith  
Martin Gale (Appointed 17 October 2023)  
Charles Harper (Appointed 17 October 2023)  
Rachel Joynt - Treasurer (Appointed 17 October 2023)  
Andrew Folan - Secretary (Appointed 17 October 2023)

### **Charity number**

20013769

### **CHY number**

6873

### **Principal address**

Gallagher Gallery  
15 Ely Place  
Dublin 2

### **Auditor**

UHY Farrelly Dawe White Limited  
Unit 4A  
Fingal Bay Business Park  
Balbriggan  
Co. Dublin

### **Bankers**

Bank of Ireland  
College Green  
Dublin 2

### **Solicitors**

AMOSS Solicitors  
Warrington House  
Mount Street Crescent  
Dublin 2

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# ROYAL HIBERNIAN ACADEMY OF ARTS

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# ROYAL HIBERNIAN ACADEMY OF ARTS

## COUNCIL MEMBERS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The council members present their annual report and financial statements for the year ended 31 December 2023.

#### **Mission**

The Royal Hibernian Academy of Arts (RHA) is an artist owned organisation dedicated to supporting artists at all stages of their career. The RHA is committed to engaging with current audiences and encouraging new audiences through presenting exhibitions and through its learning and public engagement programmes. The RHA nurtures a synergy between artists and the public in the appreciation, support and enjoyment of art. The RHA School and Studios provide accredited courses to artists for their professional development and provides studio spaces for professional artists to conduct their practice.

#### **Objectives and activities**

The RHA's current strategic plan sets out five key policy areas, 21 strategic aims and 65 tactical objectives to further enhance its mission in the document.

1. To be exemplary in our support of artists at all stages of their career.
2. Increase the number and diversification of its audiences.
3. Renew governance and organisational arrangements.
4. Diversify and increase revenue sources.
5. Develop the RHA campus and executive capacity.

#### **Achievements and performance**

##### **Review of 2023**

Dr. Abigail O'Brien completed an additional year as current President of the RHA, Andrew Folan commenced as Secretary in October 2023., Eithne Jordan remained as Keeper and Rachel Joynt took the position of Treasurer. Vera Klute was elevated from associate member to full member. Clodagh Kenny continued as Chair of the Programme Board and Seamus Puirseil continued as chair of the School & Studios Board. These boards provided essential advice and expertise to the Academy throughout the year and met on a quarterly basis.

The Academy celebrated its bicentennial year in 2023 with a number of initiatives including the erection of a blue plaque on its previous premises on Middle Abbey Street, the issuing of a series of postage stamps, the holding of an assembly meeting in Sligo, the first outside of Dublin, the commissioning of a book about the story of the Academy by author Cristin Leach, a special exhibition of the Academy's collection in Ballina County Mayo. Other events included a special exhibition of female members from the first elected in 1923 to the present day, organised and presented by the National Gallery of Ireland. An exhibition of members work from the 1800s to the present was selected from the Crawford Gallery Collection and shown at the RHA. Also the Ballinglen Arts Foundation showed a selection of members work in their museum in Ballycastle County Mayo.

There was a special Festival of Making held in the galleries that consisted of demonstrations and workshops lead by Academy members for the public over a week in October.

The 193rd Annual Exhibition opened in its traditional summer slot. Initial selection for the exhibition was via digital format with over 4,500 submissions. The exhibition was opened from May 22nd to August 8th and was also available online for viewing and purchasing. In the main gallery the work of Cecilo Bullo and John Kindness were featured. Other artists presented in the main exhibition programme included Austin Heame, Declan Clarke, James Hanley, Brett McEntagart amongst others. The Academy also hosted an exhibition celebrating 50 years of the Gallery Press and a special exhibition on drawing curated by Andrew Folan RHA.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## COUNCIL MEMBERS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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RHA Studios includes a number of programmes and the following artists were accommodated in 2023.

- RHA On Site Studios: Maria McKinney, Fiona McDonald, Joanne Reid, Eleanor McCaughey, Neil Carroll, Aleana Egan, Dominique Crowley, Lauren Conway.
- IPUT/RHA Wilton Park Studios: Alan James Burns, Anna Spearman and Michelle Malone.
- O'Malley Residential Studio, Callan, Co. Kilkenny (year long) - Marcel Vidal.
- Clare Island Studio: (October/November) Doireann O'Malley.
- Aras Eanna, Aran Islands (One month) Sian Costello. - Tina O'Connell

The RHA School had 11 graduates in 2023 and two graduates (one graduating on the 60-credit pathway, one graduating on the 30-credit pathway) with an additional nine progressing from the 30-credit pathway to exit next year with the 60-credit diploma in 2024.

#### **Financial review**

Net incoming resources for the year after gains/losses on investments was €77,007 (2022: €88,773).

At the end of the year, the Academy has assets of €12,250,530 (2022: €12,183,700) and liabilities of €441,138 (2022: €451,315). The net assets of the Academy have increased by €77,007.

#### **Reserves policy:**

It is the policy of the Academy 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 council members consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Academy'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.

#### **Investment policy:**

The council has appointed Goodbody Stockbrokers to act as its investment manager of its various trust funds. Goodbody have been instructed to follow a prudent and low risk approach to its investment strategy of the fund's resources. To date, this approach has been successful and the directors are satisfied with the results. The council keeps its investment policy under regular review and intends to continue with its existing prudent approach.

#### **Principal risks and uncertainties**

The RHA have composed a risk assessment document and is in the process of developing a risk register.

The RHA is in receipt of funding from the Arts Council that is applied for on an annual basis and awarded for a year. The RHA is subject to a restricted planning period based on the grant awarded.

The Arts Council grant is core funding for the RHA amounting to 40% of its revenue, other funding lines depend on the health of the economy and are made up of earned and fundraised income

#### **Future developments**

The academy plans to continue its present activities for the foreseeable future.

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

The updating of the Academy's charter was completed in 2023 when The Royal Hibernian Academy (Amendment of Charter) Act 2023 was signed in law on 20th December 2023. The Academy was established by Royal Charter in 1823 and the updated version is more befitting for a 21st century organisation.

The council members are ultimately responsible for the Royal Hibernian Academy, however, the day to day running of the Royal Hibernian Academy is delegated from the council members to the Academy Director Patrick Murphy and the RHA staff.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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The council members who served during the year and up to the date of signature of the financial statements were:

Abigail O'Brien - President	
Una Sealy - Secretary	(Resigned 17 October 2023)
Robin Buick - Treasurer	(Resigned 17 October 2023)
Eithne Jordan - Keeper	
James Hanley	
Mick O'Dea	(Resigned 17 October 2023)
Vivienne Roche	(Resigned 17 October 2023)
Pat Harris	
Alice Maher	
Dorothy Smith	
Martin Gale	(Appointed 17 October 2023)
Charles Harper	(Appointed 17 October 2023)
Rachel Joynt - Treasurer	(Appointed 17 October 2023)
Andrew Folan - Secretary	(Appointed 17 October 2023)

There is a staggered rotation of ordinary members of the council and new members meet with the President of the RHA and the RHA Director to review the policies, procedures, current challenges, commitments, risks and ambitions of the Academy. In addition to receiving the most recent quarterly financial report new members receive:

- The Treasurer's report which reviews the previous year's audited accounts, outlines the current financial position of the Academy, the value of the assets and the obligations for safeguarding same.
- The Secretary's report detailing the institutional progress of the Academy and a handbook of the charter and bylaws of the RHA Academy.

### Events after the reporting period

There have been no significant events affecting the charity since the year end.

### Auditor

In accordance with the organisation's charter, a resolution proposing that UHY Farrelly Dawe White Limited be reappointed as auditor of the organisation will be put at a General Meeting.

### Statement of relevant audit information

So far as the members are aware, there is no relevant audit information of which the statutory auditors are unaware. The members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

### Accounting records

To ensure that adequate accounting records are maintained and retained in accordance with Charities Act 2009, the members have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the Academy's office at 15 Ely Place, Dublin 2.

The council members' report was approved by the Board of Council Members.

  
Abigail O'Brien - President

  
Rachel Joynt - Treasurer

Dated: 12 September 2024

Dated: 12 September 2024

# ROYAL HIBERNIAN ACADEMY OF ARTS

## STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The council members are responsible for preparing the Council Members' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish charity law requires the council members to prepare financial statements for each financial year. Under the law the council members have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under charity law, the council members must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the academy as at the financial year end date and of the surplus or deficit of the academy for the financial year and otherwise comply with Charities Act 2009.

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

- select suitable accounting policies for the academy financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in business.

The council members are responsible for ensuring that the academy keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the academy, enable at any time the assets, liabilities, financial position and surplus or deficit of the academy to be determined with reasonable accuracy and enable them to ensure that the financial statements and Council Members' Report comply with FRS 102 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the members are aware:

- there is no relevant audit information (information needed by the Academy's auditor in connection with preparing the auditor's report) of which the Academy's auditor is unaware, and
- the members have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Academy's auditor is aware of that information.

Signed on behalf of the board:



Abigail O'Brien - President

Dated: 12 September 2024



Rachel Joynt - Treasurer

Dated: 12 September 2024

# ROYAL HIBERNIAN ACADEMY OF ARTS

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ROYAL HIBERNIAN ACADEMY OF ARTS

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#### **Opinion**

We have audited the financial statements of Royal Hibernian Academy of Arts (the 'Academy') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with FRS102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the provisions available for small entities, in the circumstances set out in note 23 to the financial statements, 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 council members' 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 Academy'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 council members with respect to going concern are described in the relevant sections of this report.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

#### **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 council members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# ROYAL HIBERNIAN ACADEMY OF ARTS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ROYAL HIBERNIAN ACADEMY OF ARTS

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#### **Responsibilities of council members**

As explained more fully in the statement of council members' responsibilities, the council members 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 council members 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 council members are responsible for assessing the Academy'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 council members either intend 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <http://https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>. This description forms part of our auditor's report.

#### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the charitable academy members, as a body. Our audit work has been undertaken so that we might state to the charitable academy's members those matters we are required to state to them in an auditors' 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 academy and the charitable academy's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Thomas McDonagh**  
for and on behalf of UHY Farrelly Dawe White Limited

**Chartered Certified Accountants**

**Statutory Auditor**

Unit 4A

Fingal Bay Business Park

Balbriggan

Co. Dublin

Ireland

12/09/2024

# ROYAL HIBERNIAN ACADEMY OF ARTS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 €	Restricted funds 2023 €	Total 2023 €	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €
<b>Income from:</b>							
Donations and legacies	2	153,083	214,485	367,568	151,615	217,500	369,115
Charitable activities	3	1,155,515	36,500	1,192,015	999,428	36,500	1,035,928
Other activities	4	81,693	-	81,693	73,485	-	73,485
<b>Total income</b>		<b>1,390,291</b>	<b>250,985</b>	<b>1,641,276</b>	<b>1,224,528</b>	<b>254,000</b>	<b>1,478,528</b>
<b>Expenditure on:</b>							
Programme expenses	5	614,461	244,485	858,946	540,451	52,330	592,781
Overhead expenses	5	821,151	18,122	839,273	655,370	16,092	671,462
<b>Total resources expended</b>		<b>1,435,612</b>	<b>262,607</b>	<b>1,698,219</b>	<b>1,195,821</b>	<b>68,422</b>	<b>1,264,243</b>
<b>Net operating surplus/(deficit)</b>		<b>(45,321)</b>	<b>(11,622)</b>	<b>(56,943)</b>	<b>28,707</b>	<b>185,578</b>	<b>214,285</b>
Net gains/(losses) on investments	10	-	133,950	133,950	-	(125,512)	(125,512)
<b>Net movement in funds</b>		<b>(45,321)</b>	<b>122,328</b>	<b>77,007</b>	<b>28,707</b>	<b>60,066</b>	<b>88,773</b>
<b>Reconciliation of funds</b>							
Fund balances at 1 January 2023		10,652,569	1,079,816	11,732,385	10,623,862	1,019,750	11,643,612
<b>Fund balances at 31 December 2023</b>	<b>19</b>	<b>10,607,248</b>	<b>1,202,144</b>	<b>11,809,392</b>	<b>10,652,569</b>	<b>1,079,816</b>	<b>11,732,385</b>

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

All income and expenditure derive from continuing activities.

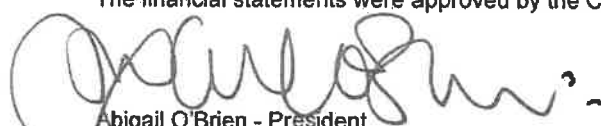
# ROYAL HIBERNIAN ACADEMY OF ARTS

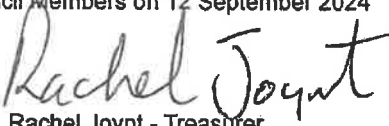
## BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		€	€	€	€
<b>Fixed assets</b>					
Tangible assets	11		10,627,000		10,627,871
Investments	12		1,205,700		1,083,372
			<u>11,832,700</u>		<u>11,711,243</u>
<b>Current assets</b>					
Debtors	13	76,501		83,572	
Cash at bank and in hand		341,329		388,885	
			<u>417,830</u>	<u>472,457</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(441,138)</u>		<u>(451,315)</u>	
Net current (liabilities)/assets			(23,308)		21,142
<b>Total assets less current liabilities</b>			<u>11,809,392</u>		<u>11,732,385</u>
<b>Income funds</b>					
Restricted funds	19		1,202,144		1,079,816
Unrestricted funds	19		10,607,248		10,652,569
			<u>11,809,392</u>		<u>11,732,385</u>

The financial statements were approved by the Council Members on 12 September 2024

  
Abigail O'Brien - President  
Trustee

  
Rachel Joynt - Treasurer  
Trustee

# ROYAL HIBERNIAN ACADEMY OF ARTS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 €	€	2022 €	€
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	25		(56,101)		109,323
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,272)		(3,707)	
Purchase of and transfers to investments		-		(217,500)	
Proceeds on disposal and withdrawals of investments		11,622		40,128	
<b>Net cash generated from/(used in) investing activities</b>			9,350		(181,079)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(46,751)		(71,756)
Cash and cash equivalents at beginning of year			385,894		457,650
<b>Cash and cash equivalents at end of year</b>			339,143		385,894
<b>Relating to:</b>					
Cash at bank and in hand			341,329		388,885
Bank overdrafts included in creditors payable within one year			(2,186)		(2,991)

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Charity information

Royal Hibernian Academy of Arts is an entity and registered charity located in Republic of Ireland. Its business premises are 15 Ely Place, Dublin 12, Ireland.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Academy's Charter, the Charities Act 2009, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The Academy has applied the recommendations contained in Charities SORP (FRS 102) effective 1 January 2019. The Academy is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in euro, which is the functional currency of the Academy. Monetary amounts in these financial statements are rounded to the nearest €.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Academy's financial statements.

#### 1.2 Going concern

At the time of approving the financial statements, the council members have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. Thus the council members continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are general funds that are available for use at the Councils' discretion in furtherance of any of the objectives of the charity.

Restricted funds are those received for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose and the restriction means that the funds can be used only for specific projects or activities.

Restricted funds consist of five bequests, Albert Prize Fund, Judith Wilson Fund, Hennessy Craig Scholarship, Homan Potterson bequest (held in the Hennessy Craig fund), Taffina Flood/James O'Nolan bequest (held in the main fund) received by the RHA, which can be used for specified purposes as set out in the conditions attaching to each bequest.

#### 1.4 Incoming resources

Income from donations, gifts and legacies is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. This includes donations, gifts, bequests, income from donation of assets and membership income.

Income from charitable activities includes income from exhibitions, commission on the sales of artwork, RHA school income from courses, and membership income. Income from commission on the sales of the artwork is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch/collection of the goods).

Income from charitable activities also included grants from governments and institutional donors, are recognised as income when the activities which they are intended to fund have been undertaken, the related expenditure incurred, and there is reasonable certainty of receipt. This income may be classed as restricted and unrestricted dependant on the conditions included in each agreement.

Investment income is recognised on a receivable basis. Investment income includes income received on deposits held by the charity and income from any other investments.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies

(Continued)

##### **Current funding**

The Arts Council provided strategic funding totalling €487,000 in respect of 2023 (2022: €487,000). Funding is granted for a 12-month period and paid in accordance with the terms and conditions of the funding agreement.

##### **Donations**

Donations received are accounted for on a receipt basis and are dealt with consistent with the wishes of the donor. Donations in relation to the funding of capital projects are released to Income and Expenditure in step with loans incurred.

#### 1.5 Resources expended

Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being an unavoidable commitment.

Expenditure on raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs include those incurred in the governance by the members of the charity's assets and are primarily associated with constitutional and statutory requirements of operating the organisation.

#### 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:

Freehold land and buildings	Not depreciated
Lift	5% Straight line
Fixtures and fittings	20% Straight line
Purchased art works	No depreciation
Albert fund	No depreciation

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 the statement of financial activities.

The balance sheet does not include the following:

- The cost of the site on which RHA Gallagher Gallery is built;
- The art collection of the Academy acquired prior to 30 September 1984;
- Donated works of art.

No depreciation is provided on buildings. It is the policy of the Academy to maintain the buildings in such condition that their value is not impaired by the passage of time and that all essential repair and maintenance work required is charged to the income and expenditure account in the period that it is incurred.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Academy 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).

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within payables.

#### 1.9 Financial instruments

The Academy 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 Academy's balance sheet when the Academy 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.

##### **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 Academy'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 Academy is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **1 Accounting policies**

**(Continued)**

#### **1.12 Investments**

Investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value. Fair value is "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction other than in a forced or liquidation sale". Estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

Such financial assets subsequently measured at fair value and the changes in fair value are recognised in the Statement of Financial Activities, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

#### **1.13 Taxation**

As a result of the Academy's charitable status, no charge to corporation tax arises under the provisions of Section 207 of the Taxes Consolidation Act, 1997.



# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 2 Donations and legacies

	Unrestricted funds 2023 €	Restricted funds 2023 €	Total 2023 €	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €
Donations and gifts	110,483	214,485	324,968	112,328	217,500	329,828
Fundraising events	42,600	-	42,600	39,287	-	39,287
<b>Total</b>	<b>153,083</b>	<b>214,485</b>	<b>367,568</b>	<b>151,615</b>	<b>217,500</b>	<b>369,115</b>

### 3 Income from charitable activities

	Unrestricted funds 2023 €	Restricted funds 2023 €	Total 2023 €	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €
Arts Council - Strategic funding	487,000	-	487,000	530,000	-	530,000
Arts Council - Other funding	-	6,500	6,500	-	28,000	28,000
Friends of RHA	59,237	-	59,237	57,359	-	57,359
Ashford Gallery	20,122	-	20,122	28,034	-	28,034
Exhibitions	417,281	-	417,281	287,341	-	287,341
Course fees	106,332	-	106,332	85,348	-	85,348
Publications	13,257	-	13,257	11,346	-	11,346
Other grants	-	30,000	30,000	-	8,500	8,500
D/TCAGSM - Cultural Capital Scheme - Stream B	52,286	-	52,286	-	-	-
<b>Total</b>	<b>1,155,515</b>	<b>36,500</b>	<b>1,192,015</b>	<b>999,428</b>	<b>36,500</b>	<b>1,035,928</b>

### 4 Other activities

	Unrestricted funds 2023 €	Restricted funds 2023 €	Total 2023 €	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €
Rental income	71,558	-	71,558	68,785	-	68,785
Other income - recharge of FOH staff costs	10,135	-	10,135	4,700	-	4,700
<b>Other activities</b>	<b>81,693</b>	<b>-</b>	<b>81,693</b>	<b>73,485</b>	<b>-</b>	<b>73,485</b>

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 5 Expenditure on charitable activities

	Unrestricted funds 2023 €	Restricted funds 2023 €	Total 2023 €	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €
<u>Programme costs</u>						
Staff costs	173,036	16,243	189,279	208,625	-	208,625
Staff costs schools	76,918	-	76,918	67,850	-	67,850
Fundraising events	29,432	-	29,432	23,035	-	23,035
Exhibitions	226,919	228,242	455,161	143,007	52,330	195,337
Advertising and marketing	32,374	-	32,374	29,590	-	29,590
Collection maintenance	9,834	-	9,834	11,907	-	11,907
Public programmes	19,283	-	19,283	16,464	-	16,464
Friends of RHA	7,681	-	7,681	7,906	-	7,906
Royal Hibernian Academy schools	37,484	-	37,484	32,067	-	32,067
Prizes	1,500	-	1,500	-	-	-
<b>Total programme costs</b>	<b>614,461</b>	<b>244,485</b>	<b>858,946</b>	<b>540,451</b>	<b>52,330</b>	<b>592,781</b>
<u>Overhead costs</u>						
Staff costs	556,391	-	556,391	436,516	-	436,516
Depreciation and impairment	3,143	-	3,143	3,353	-	3,353
Staff training	380	-	380	5,250	-	5,250
Insurance	19,431	-	19,431	19,128	-	19,128
Light and heat	56,708	6,500	63,208	53,471	8,000	61,471
Repairs and maintenance	97,273	-	97,273	68,765	-	68,765
Printing, postage and stationery	8,309	-	8,309	7,402	-	7,402
Telephone	9,013	-	9,013	8,768	-	8,768
Staff travel and subsistence	3,695	-	3,695	7,201	-	7,201
Board & honorary council expenses	20,047	-	20,047	11,169	-	11,169
Professional fees	23,391	11,622	35,013	16,217	8,092	24,309
Audit and accountancy	9,461	-	9,461	8,591	-	8,591
Bank charges	11,703	-	11,703	9,065	-	9,065
Office expenses	180	-	180	474	-	474
Bad debts	2,026	-	2,026	-	-	-
<b>Total overhead costs</b>	<b>821,151</b>	<b>18,122</b>	<b>839,273</b>	<b>655,370</b>	<b>16,092</b>	<b>671,462</b>
<b>Total expenditure</b>	<b>1,435,612</b>	<b>262,607</b>	<b>1,698,219</b>	<b>1,195,821</b>	<b>68,422</b>	<b>1,264,243</b>

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 6 Funding from government sources

The following information is in relation to grant information required as per the Department of Public Expenditure and Reform circular 13/2014:

Name of grantor	Name of grant	Purpose of grant	Amount €
The Arts Council	Strategic funding	Salary and overhead support	487,000
Income deferred as at 01/01/2023			170,500
Cash received			486,950
			-
Less: Income deferred as at 31/12/2023			(170,450)
Income recognised in 2023			487,000
Expenditure incurred			(487,000)
Surplus for the year			-

Name of grantor	Name of grant	Purpose of grant	Amount €
The Arts Council	Energy Support Scheme	Energy costs	6,500
Income deferred as at 01/01/2023			-
Cash received			6,500
Less: Income deferred as at 31/12/2023			-
Income recognised in 2023			6,500
Expenditure incurred			(6,500)
Surplus for the year			-

Name of grantor	Name of grant	Purpose of grant	Amount €
The Arts Council	Strategic Funding Touring	Touring costs	-
Income deferred as at 01/01/2023			-
Cash received			4,000
Less: Accrued income c/f reversed			(4,000)
Less: Income deferred as at 31/12/2023			-
Income recognised in 2023			-
Expenditure incurred			-
Surplus for the year			-

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

<b>6 Funding from government sources</b>			<b>(Continued)</b>
<b>Name of grantor</b>	<b>Name of grant</b>	<b>Purpose of grant</b>	<b>Amount €</b>
Department of Tourism, Culture & Arts	Commemorations Unit	Bicentennial Programme 2023	30,000
Income deferred as at 01/01/2023			-
Cash received			30,000
Less: Income deferred as at 31/12/2023			-
			<hr/>
Income recognised in 2023			30,000
Expenditure incurred			(30,000)
			<hr/>
Surplus for the year			-
			<hr/> <hr/>
<b>Name of grantor</b>	<b>Name of grant</b>	<b>Purpose of grant</b>	<b>Amount €</b>
Department of Tourism, Culture & Arts	Cultural capital scheme -Stream B	Infrastructure upgrade costs	52,286
Income deferred as at 01/01/2023			-
Cash received			52,286
Less: Income deferred as at 31/12/2023			-
			<hr/>
Income recognised in 2023			52,286
Expenditure incurred			(52,286)
			<hr/>
Surplus for the year			-
			<hr/> <hr/>

The Board confirms that all funding was used in accordance with the conditions outlined in the letters of offer and that there are adequate financial controls in place to manage grant income.

The Board confirms that the organisation held an active tax clearance certificate.

Royal Hibernian Academy of Arts is compliant with relevant Circulars, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar type Payments".

<b>7 Net movement in funds</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	3,143	3,353
	<hr/>	<hr/>

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 8 Key management compensation

Key management includes the council members, all members of the Academy's management, and the secretary. The cost of the compensation package paid or payable to key management for employee services is shown below:

	2023	2022
	€	€
The following was paid to management excluding council members below:		
Remuneration package	115,498	115,497
Social security costs	542	3,032
	<u>116,040</u>	<u>118,529</u>

The following council members were employed by RHA during the year:

Employee	Role	Remuneration	Social security costs
		€	€
Una Sealy	Tutor	3,090	329
Colin Martin	Head of School	55,327	5,822

Members are not remunerated for their roles as council members. Out of pocket travel expenses of €676 (2022: €123) were reimbursed to trustees/council members during the year.

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Permanent staff	10	11
Part-time staff	12	9
Project specific staff	5	5
	<u>27</u>	<u>25</u>

Members are not remunerated for their role as Council Members. Many permanent staff work on a part-time basis. The whole time equivalent number of employees is 17 (2022: 15).

Employment costs	2023	2022
	€	€
Wages and salaries	738,688	635,327
Social security costs	60,264	56,624
Other pension costs	23,636	21,040
	<u>822,588</u>	<u>712,991</u>

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 9 Employees

(Continued)

The number of higher paid employees (including pension and social security costs):

	2023 Number	2022 Number
€110,001 - €120,000	1	1
€100,001 - €110,000	-	-
€90,001 - €100,000	-	-
€80,001 - €90,000	-	-
€70,001 - €80,000	-	-
€60,000 - €70,000	-	-
	<u>1</u>	<u>1</u>

### 10. Net gains/(losses) on investments

	Restricted funds 2023 €	Total 2023 €	Restricted funds 2022 €	Total 2022 €
Unrealised gains/(losses) on investments	<u>133,950</u>	<u>133,950</u>	<u>(125,512)</u>	<u>(125,512)</u>

**ROYAL HIBERNIAN ACADEMY OF ARTS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**11 Tangible fixed assets**

	Freehold land and buildings	Lift	Fixtures and fittings	Purchased art works	Albert fund	Total
	€	€	€	€	€	€
<b>Cost</b>						
At 1 January 2023	10,500,000	147,882	127,158	114,237	6,000	10,895,277
Additions	-	-	2,272	-	-	2,272
At 31 December 2023	10,500,000	147,882	129,430	114,237	6,000	10,897,549
<b>Depreciation and impairment</b>						
At 1 January 2023	-	147,882	119,524	-	-	267,406
Depreciation charged in the year	-	-	3,143	-	-	3,143
At 31 December 2023	-	147,882	122,667	-	-	270,549
<b>Carrying amount</b>						
At 31 December 2023	10,500,000	-	6,763	114,237	6,000	10,627,000
At 31 December 2022	10,500,000	-	7,634	114,237	6,000	10,627,871

The board obtained a valuation of land and buildings at 15 Ely Place in February 2017. This resulted in an decrease in value which was recorded in the 2016 financial statements. The board are satisfied the carrying balance at year end 31 December 2023 is at least equal to the market value.

At the time of approval of these financial statements, a draft professional valuation report for 15 Ely Place dated 29 July 2024 has been received by the Academy. The council members have not yet approved this valuation report thus there has been no revaluation of land and buildings recorded in the 2023 financial statements.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 12 Fixed asset investments

	Listed investments €
<b>Cost or valuation</b>	
At 1 January 2023	1,083,372
Valuation changes	133,950
Disposal and withdrawals	(11,622)
At 31 December 2023	<u>1,205,700</u>
<b>Carrying amount</b>	
At 31 December 2023	<u>1,205,700</u>
At 31 December 2022	<u>1,083,372</u>

#### 13 Debtors

	2023 €	2022 €
<b>Amounts falling due within one year:</b>		
Trade debtors	30,170	11,685
Other debtors	27,765	33,593
Prepayments and accrued income	18,566	38,294
	<u>76,501</u>	<u>83,572</u>

#### 14 Creditors: amounts falling due within one year

	Notes	2023 €	2022 €
Bank overdrafts and credit card	15	2,186	2,991
Taxation		16,111	13,917
Trade creditors		75,112	66,754
Other creditors		32,476	33,305
Accruals and deferred income		315,253	334,348
		<u>441,138</u>	<u>451,315</u>



# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 15 Loans and overdrafts

	2023	2022
	€	€
Credit card	2,186	2,991
Payable within one year	2,186	2,991

BOI plc holds guarantees on behalf of the organisation in relation to VISA and EFT facilities amounting to €21,250.

### 16 Contingent liabilities - Government grants

	Total
	€
At 1 January 2023	2,400,000
Advanced during the year	-
At 31 December 2023	2,400,000

This amount was granted to the Academy from the Department of Arts, Sports and Tourism to help fund the expenditure incurred in relation to the Capital Arts Programme. In the event of the Academy not continuing to be used in accordance with the terms of the grant agreement, the Academy will become liable for repaying the outstanding balance of the grant in full to the Department. During the year the Academy did not receive any additional funding from the Department of Arts, Sports and Tourism.

If the Academy were to sell the building before 17 January 2026 they would be liable to repay any grants received from the Department of Arts, Sports and Tourism. These amounted to €2,400,000 as at 31 December 2023 (2022: €2,400,000).

### 17 Retirement benefit schemes

	2023	2022
	€	€
Charge for the year in respect of defined contribution schemes	23,636	21,040

The Academy operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Academy in an independently administered fund.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 18 Analysis of net assets between funds

	Unrestricted funds 2023 €	Restricted funds 2023 €	Total 2023 €
<b>At 31 December 2023:</b>			
Tangible assets	10,621,000	6,000	10,627,000
Investments	11,049	1,194,651	1,205,700
Current assets/(liabilities)	(24,801)	1,493	(23,308)
	<u>10,607,248</u>	<u>1,202,144</u>	<u>11,809,392</u>
	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €
<b>At 31 December 2022:</b>			
Tangible assets	10,621,871	6,000	10,627,871
Investments	11,049	1,072,323	1,083,372
Current assets/(liabilities)	19,649	1,493	21,142
	<u>10,652,569</u>	<u>1,079,816</u>	<u>11,732,385</u>

### 19 Reconciliation of funds

	Balance 1 January 2023 €	Incoming resources €	Resources expended €	Other gains €	Transfers €	Balance 31 December 2023 €
<b>Unrestricted funds</b>						
General funds	10,652,569	1,390,291	(1,435,612)	-	-	10,607,248
<b>Restricted funds</b>						
Restricted funds	1,079,816	250,985	(262,607)	133,950	-	1,202,144
Total funds	<u>11,732,385</u>	<u>1,641,276</u>	<u>(1,698,219)</u>	<u>133,950</u>	<u>-</u>	<u>11,809,392</u>

### 20 Capital commitments

The entity had no material capital commitments at 31 December 2023.

### 21 Reclassification

Certain prior year comparatives have been regrouped and reclassified on a basis consistent with the current year.

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 22 Events after the reporting date

There have been no significant events affecting the Academy since the year end.

#### 23 Non-audit services provided by auditor

In common with many charities of our size and nature we use our auditor to assist with the preparation of the financial statements.

#### 24 Related party transactions

##### Transactions with council members

The academy hosts exhibitions and buys and sells artwork.

During the year, council members provided tutoring services and sold artwork through the academy. The respective members received payments less commission in return and these transactions are detailed below.

At year end Abigail O'Brien was owed €Nil (2022: €120) from the academy arising from the purchase of books in the normal course of its charitable activities.

Council member	Net amount after commissions deducted	
	2023	2022
	€	€
Abigail O'Brien	-	9,100
Eithne Jordan	-	1,462
Una Sealy	5,395	2,281
Pat Harris	-	2,655
Alice Maher	5,525	5,525
Dorothy Smith	2,470	2,925
Andrew Folan	520	-
James Hanley	1,348	3,542
Mick O'Dea	18,500	-
Colin Martin	13,000	2,655
Martin Gale	13,390	-
	<u>13,390</u>	<u>-</u>

During the year, the below council members purchased artwork from the organisation.

Council member	Total amount for the year	Amount due at the year end
	€	€
Abigail O'Brien	4,780	-
Dorothy Smith	50	-
	<u>4,830</u>	<u>-</u>

# ROYAL HIBERNIAN ACADEMY OF ARTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

<b>25 Cash generated from operations</b>	<b>2023</b>	<b>2022</b>
	€	€
Surplus for the year	77,007	88,773
Adjustments for:		
Fair value gains and losses on investments	(133,950)	125,512
Depreciation and impairment of tangible fixed assets	3,143	3,353
Movements in working capital:		
Decrease in debtors	7,071	166,928
(Decrease) in creditors	(9,372)	(275,243)
<b>Cash (absorbed by)/generated from operations</b>	<b>(56,101)</b>	<b>109,323</b>

<b>26 Analysis of changes in net funds</b>	<b>At 1 January</b>	<b>Cash flows</b>	<b>At 31 December</b>
	<b>2023</b>		<b>2023</b>
	€	€	€
Cash at bank and in hand	388,885	(47,556)	341,329
Cash equivalents	-	-	-
Credit card	(2,991)	805	(2,186)
	<u>385,894</u>	<u>(46,751)</u>	<u>339,143</u>

### 27 Approval of financial statements

The financial statements were approved and authorised for issue by the council members on 12 September 2024.