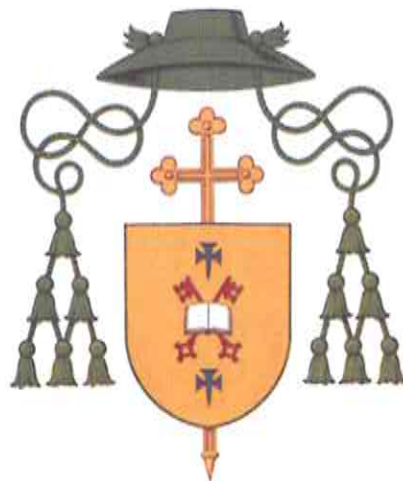


# **Dromore Diocesan Trust**

Registered Charity Number 105046

## **Report and Financial Statements**

For the year ended  
**31 December 2023**



# Dromore Diocesan Trust

<i>Contents</i>	<i>Page</i>
Legal and administrative information	2
Report of the Trustee	3
Statement of Trustee's responsibilities	19
Independent auditors' report	20
Statement of financial activities	25
Balance sheet	26
Statement of cash flows	27
Notes on and forming part of the financial statements	28

# Dromore Diocesan Trust

## Legal and administrative information

---

### **Trustee**

Diocese of Dromore Trustee

(a company limited by guarantee, registration number NI609968)

Registered Office, Bishop's House, 44 Armagh Road, Newry, BT35 6PN

### **Directors and Officers of Diocese of Dromore Trustee**

Most Reverend Eamon Martin, Apostolic Administrator

Reverend Feidhlimidh Magennis

Right Reverend Monsignor Hugh Connolly

Mr Brendan Jackson

Mrs Nuala McKeagney (resigned 10 June 2023)

Mr Michael Gillen

Mr Tony McCusker

Miss Oonagh Murtagh (resigned 12 June 2023)

### **Registered Office**

Bishop's House, 44 Armagh Road, Newry, BT35 6PN

### **Company Secretary**

Reverend Feidhlimidh Magennis

### **Auditor**

Hill Vellacott, Chartered Accountants, 22 Great Victoria Street, Belfast, BT2 7BA

### **Bankers**

AIB (NI), 42-44 Hill Street, Newry, BT34 1AU

### **Investment Managers**

Davy Asset Management, Davy House, 49 Dawson Street, Dublin 2

### **Solicitors**

Napier Solicitors, 1-9 Castle Arcade, High St, Belfast BT1 5DF

Luke Curran & Co, 6 Marcus Square, Newry, Co. Down, BT34 1AY

Clyde & Co, 51 Adelaide Street, Belfast, BT2 8FE

# Dromore Diocesan Trust

## Report of the Trustee

---

The Trustee presents its Annual Report and the financial statements of the charity, Dromore Diocesan Trust, for the year ended 31 December 2023.

### **Constitution and aims**

The Roman Catholic Diocese of Dromore was established through the reorganisation of the Irish Church in the late twelfth century. It is one of the smaller dioceses in Ireland and covers portions of Counties Down, Armagh and Antrim with its cathedral located in the city of Newry.

The Dromore Diocesan Trust is a charitable trust, established by a trust deed dated 1 November 2010. On 20 April 2016, Dromore Diocesan Trust was registered as a charity with the Charity Commission for Northern Ireland and given the registration number NIC105046. Under amending legislation - the Charities Act (Northern Ireland) 2022 – registration of the Dromore Diocesan Trust is deemed to commence on 1 April 2022. For tax purposes, Dromore Diocesan Trust is also registered with HM Revenue and Customs - reference number XT27177. The sole trustee of the Charity is a Corporation, Diocese of Dromore Trustee. The Company is limited by guarantee and was registered on 17 November 2011 registration number NI609968. On 13 January 2012 the Lord Chief Justice of Northern Ireland authorised Diocese of Dromore Trustee to act in any Charitable or Ecclesiastical Trust as a Trust Corporation.

### **Objectives and activities**

The principal objects of the Charity are:

- The advancement of the Roman Catholic religion in the Roman Catholic Diocese of Dromore subject to any future curtailment or addition of area made in accordance with the laws and regulations of the Roman Catholic Church.
- The advancement of any charitable purpose supported by the Roman Catholic Church throughout the world or in any part of the world.

The Diocese of Dromore, in union with the Catholic Church worldwide, seeks to achieve its objectives through activities including the following:

- Proclamation of the Gospel
- Worship of God
- Provision of clergy and pastoral personnel
- Formation and development of parish communities
- Support for families
- Provision of educational, pastoral and youth ministries
- Provision and maintenance of places of worship
- Aid for impoverished and needy communities worldwide

The means used to fulfil the purposes of the Dromore Diocesan Trust are constantly monitored and reviewed in order to ensure that the principal aims and objectives of the charity are adhered to.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

### **Statement that the Trustee has had regard to the Charity Commission for Northern Ireland public benefit requirement statutory guidance**

The Trustee confirms it has complied with the requirements of Section 4 (6) of the Charities Act (Northern Ireland) 2008 to have due regard to the public benefit guidance published by the Charity Commission for Northern Ireland in determining the activities undertaken by the Charity. Throughout this Annual Report the Trustee seeks to demonstrate that the Charity's aims and objectives are for the public benefit.

### **Structure, Governance and Management**

Ecclesiastical Law requires certain structures to be in place within the Diocese. Structures in the Diocese of Dromore include: Diocesan Consultors (fulfilled by the Cathedral Chapter), a Council of Priests and a Finance Council. The Bishop is also assisted in ecclesiastical governance by a Chancellor, a Vicar General and a Finance Administrator. In the absence of a bishop (*sede vacante*), the diocese is under the governance of a Diocesan Administrator (elected by the Diocesan Consultors) or an Apostolic Administrator (appointed by the Holy Father).

The overall operation of the Charity, including financial and legal responsibility in civil law, is overseen by the Trustee, the directors of which are appointed by the Bishop, who is Chair of the Board. Recruitment of the directors is based on their knowledge of the local Church and their having the professional skills and experiences necessary for overseeing the affairs of the Charity by ensuring it is solvent, well-run, and that it delivers the outcomes for which it was established. The Board is composed of a mixture of clergy and lay members of the Church.

On appointment, new directors receive induction and are introduced to their role and responsibilities by the Chancellor, the Finance Administrator and the Finance Officer of the Diocese. They are provided with copies of the Trust Deed and the latest financial information and reports. Directors attend formal and informal training sessions as required.

The day-to-day business of the Diocese is managed through the Diocesan Curia. The Bishop refers ecclesiastical related matters to the Chancellor and other appropriate officials. Civil administrative matters are referred to the Finance Administrator and the Finance Officer. The Council of Priests also assists the Bishop in the governance of the Diocese according to the norm of law 'so that the pastoral welfare of that portion of the people of God entrusted to the Bishop may be most effectively promoted' (Code of Canon Law, canon 495). Reflecting Canon Law, the activities of the Charity are separated in this Report into Parish and Curia functions.

On 15 April 2019, Archbishop Eamon Martin, Archbishop of Armagh, became Apostolic Administrator of the Diocese. An Apostolic Administrator is appointed to temporarily govern a diocese when special or serious circumstances warrant such an appointment. Archbishop Martin governs in the name of the Holy Father and has all the powers and duties of a diocesan bishop.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

### **Parishes**

The Diocese is divided into parish communities. The parishes in the Diocese are established and operate under the Church's Code of Canon Law which bestows on them separate canonical status which explains their treatment in the following financial accounts specifically through the columnar layout. The funds and assets of each parish are held in trust by the Dromore Diocesan Trustee for the benefit of each specific parish. Under Canon Law, each parish must have a finance committee to advise the parish priest in regard to the administration of the parish. Parish finance committees include parishioners with knowledge and experience in finance, property management and administration.

Parish Priests/Administrators and Curates are appointed by the Bishop to provide pastoral care for parish communities and to manage parishes in all juridical affairs thus ensuring that parishes are administered in accordance with the norms of Canon and Civil Law while fulfilling the aims of the Charity.

As encouraged by The Directory for the Pastoral Ministry of Bishops (*Apostolorum Successores*), the Bishop, in consultation with priests and laity, reviews on a regular basis the parish structure to ensure the long-term pastoral sustainability of the parishes.

### **Curia**

The Diocesan Curia consists of those institutions and persons which furnish assistance to the Bishop in the governance of the entire Diocese, especially, in directing pastoral activity, in providing for the administration of the diocese and in exercising juridical power. It also includes all who participate in the overall administration of the diocese, especially those who direct diocesan activities such as pastoral support, youth work, education, family ministry, liturgy, and other facets of the local Church's life.

The Trustee Board delegates oversight of the Diocese's day to day financial, property and administration matters to the personnel within the Curia. Under the leadership of Archbishop Martin, the committee structure of the Trustee Board was revised to provide greater oversight of the areas of Finance, Buildings and Property, and Personnel. The remuneration of key personnel is disclosed in the Financial Statements. All employment matters and remuneration issues are overseen by the Trustee Board and reviews are undertaken periodically.

### **Risk Management**

The Trustee Board, through the corporate governance framework identify and manage the risks to which the charity is exposed.

The Trustee Board, aware of the various risks to which the Diocesan Trust is exposed, particularly those relating to the operation and finances of the Trust, has established a comprehensive planning process, together with established systems and procedures which enables them to assess and address risks. They have published and promulgated internal controls for use throughout the Diocese. The implementation of these controls continues to be monitored and an ongoing assessment is being undertaken to ensure that systems are in place to manage the exposure to major risks.

## Dromore Diocesan Trust

### Report of the Trustee (*continued*)

---

The main areas of risk identified and monitored by the Board include:

- Safeguarding
- Compliance with Health & Safety, employment and other legislation
- Reduction in active clergy numbers
- Reduction in voluntary income
- Increasing costs for the care of sick and retired clergy
- Reduction in reserves due to capital projects and other long-term commitments
- Compliance with data protection regulations.

### **Achievements and performance**

The territory covered by the Diocese of Dromore has a total population of approximately 190,000 people of whom approximately 90,000 are Catholics. The Diocese consists of twenty-two parishes, clustered into five pastoral areas. Each pastoral area consists of a number of adjoining parishes united in the interests of promoting and realizing the objects and the mission of the Diocese of Dromore within their local communities.

### **Proclamation of the Gospel and Worship of God**

Within the Diocese, religion is advanced through the provision of places of worship, the facilitation of religious practice, and in particular the community celebrations of Mass. In most parishes, there is a public celebration of Mass every day; and on every weekend there are several community Masses celebrated in each parish over Saturday evening and Sunday morning. All such celebrations are open to the public without any restrictions on attendance. In some parishes, where there is a declining number of clergy available, other forms of worship have been introduced such as Liturgies of the Word and Eucharistic Adoration, led by members of religious communities or lay personnel.

Other activities of the Charity in this category include the celebration of other religious ceremonies (including baptisms, weddings and funerals), running programmes in relation to spiritual formation and development, and encouraging and supporting inter-church relationships. As many of the places of worship within the Diocese are listed and some contain significant religious works of art and other artefacts which form part of our national heritage, these places are open to the general public and provide a public benefit to the whole community. They offer spaces for quiet reflection and spiritual contemplation.

It is within the parish community that people experience what it is to be a member of the Catholic Church. It is in this context that faith is nurtured and given expression. Hence parishes provide, in various ways, for the moral and spiritual wellbeing of all parishioners. Opportunity is given for practical manifestations of faith in various pastoral, social and educational activities many of which rely wholly on the voluntary involvement of parishioners. In the last year for which statistics are currently available (2023), there were 1,310 Baptisms (2022: 1,306). 1,426 children made their First Holy Communion (2022: 1,418) and 1,579 young people received the Sacrament of Confirmation (2022: 1,473). A total of 280 marriages (2022: 297) were officiated in the same period.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

As well as pastoral care and the provision of the sacraments to the members of parish communities, the Diocese offers chaplaincy services to those who cannot be part of a regular parish community. A Hospital Chaplaincy service is provided to Craigavon Area Hospital, while other clergy and lay pastoral visitors regularly visit other hospitals and nursing homes in the area frequented by members of the Diocese.

Each year, priests and people of Dromore journey to ancient pilgrimage sites within the diocese and beyond. The annual Diocesan pilgrimage to Lourdes and the pilgrimage to Knock have resumed following the interruptions caused by the COVID-19 pandemic. Since the challenging years of the COVID-19 pandemic, the pilgrimage director and committees have been re-vitalising the annual pilgrimage with a view to returning to the treasured practice of bring sick and assisted pilgrims to the shrine in France.

By the start of 2023, parish life was returning to normal following the COVID-19 pandemic. While parishes continued to be cautious (taking cognisance of the elderly members of congregations), there was a welcome return to churches and to the celebration of the sacraments throughout this year.

### **Provision of clergy and pastoral personnel**

Central to parish life is the relationship between the priests, deacons and people. Clergy are not employees of the Diocese. However, in Canon Law the care and welfare of incardinated priests of the Diocese is mandatory and is, therefore, part of the Charity's on-going commitments.

For the main part, priests ministering in parishes organise, animate and motivate the local faith communities. They constantly strive to be witnesses of hope and authentic shepherds for their people. At the end of 2023 there were 14 diocesan priests active in the Diocese. The provision of dedicated, well-qualified and competent clergy to serve in parishes and other ministries remains a priority for the Diocese. Through means of regular conferences, retreats, courses, workshops and sabbaticals the priests of the Diocese are kept informed and provided with guidance in regard to current issues and developments in all aspects of ministry and mission. A key to sustaining the advancement of the Catholic religion is the promotion and support of vocations to the Priesthood. The Vocations Director works closely with the local branches of St Joseph's Young Priests Society, a national lay organisation for the promotion and support of candidates for the priesthood. After several years when there were no students in formation for the priesthood, in September 2018 two candidates entered the first year of their formation and one continues in formation in the academic year 2022-23, bringing the current total of seminarians for the years concerned to two.

In recent years, the Diocese introduced the Permanent Diaconate. The role of the Permanent Deacon is to be a helper to the bishop and priests, to proclaim by his life the Church's call to serve the needs of others, to proclaim the Gospel message, to live a life of fidelity to Christ and the Church and to lead the community in building a Kingdom of grace, faith, justice and compassion. The Diocese completed a cycle of discernment and training in January 2022. Five candidates were selected to begin their formation in 2022 and four of these continued their preparation in 2023.

## Dromore Diocesan Trust

### Report of the Trustee (*continued*)

---

The important role played by the many volunteers who are active in their parishes cannot be overstated, and their contribution is vital to enabling the Diocese to continue to fulfil and develop its stated objectives. Volunteers give generously of time and energy, serving in various ministries as part of the worshipping community and also caring for and visiting the sick, the housebound and those on the margins of our society. They play a significant role in helping to maintain parish properties and assisting in financial and other administrative duties such as through membership of parish and diocesan pastoral, finance and safeguarding committees. Such volunteers are often the lifeblood of their communities. It is not possible to quantify the number and range of volunteers active throughout the Diocese, nor is it possible to put a financial value on their involvement.

Although the Charity relies on the donations from parishioners for its funding, access to religious services is never restricted on the grounds of ability to pay. In addition, members of the Catholic community are encouraged, as a consequence of their faith commitment, to contribute towards creating a better society by becoming active promoters of the Common Good within their local area through membership of other charities, local societies and community groups and by volunteering in all sorts of ways to benefit society in general.

Besides the work accomplished at parish level, the Curia (the central administration of the Diocese) coordinates and carries out a number of essential functions necessary to the advancement of the Catholic religion at local, national and international level. In order to do so, the Curia operates through a range of diocesan commissions, committees and through various personnel charged with specific responsibilities.

The Diocese continues to foster close relationships with other Christian churches and to participate in important ecumenical activities, included the Week of Prayer for Christian Unity and the Irish Inter Church meeting which takes place annually in the Diocese. At clergy conferences, held on at least a quarterly basis, significant liturgical moments are prepared for and discussed.

The general well-being and care of clergy in active ministry is coordinated by the Diocesan Curia. Priests' stipends and related matters are overseen and regulated by a Clergy Remuneration Committee. Equally important is the welfare of priests who are sick or retired. Their welfare is the responsibility of a committee that administers the Clerical Provident Fund.

The Diocese continues to engage with men and women who wish to undertake discernment in regard to vocations to the priesthood, the permanent diaconate and the religious and consecrated life. The Diocesan Vocations Director, along with the Diocesan Vocations Commission, coordinates this essential mission mostly through the means of discernment groups, prayer vigils, discernment retreats and chaplaincy work in the post-primary schools of the Diocese.

The objectives of the Charity are greatly supported, and the life of the Diocese is enriched, by the contribution made by the many members of Religious Institutions, Secular Institutions and/or Societies of Apostolic Life serving in the Diocese. The Diocese of Dromore expresses its sincere gratitude to these men and women of faith for their ministries of generous service and sacrifice

# Dromore Diocesan Trust

## Report of the Trustee *(continued)*

---

### **Support for families**

Family Ministry within the Diocese is dedicated to strengthening marriage and families by coordinating programmes and ministries that have faith as their foundation and Christ as their goal. By responding to the needs of today's families, as they strive to live in a very challenging culture and a rapidly changing world, Family Ministry serves as a resource for families, clergy and parish communities. In collaboration with other groups, Family Ministry offers services and practical resources to assist people, at all stages of life, in order to help them experience more fully the love and compassion of God in the ordinary events of life. Among the various services provided with the Diocese are: ACCORD Catholic Marriage Care Service, Marriage Encounter, Engaged Encounter, Families First (Parenting Skills).

Since the ending of the Covid-19 pandemic restrictions, various pastoral groups have been resuming in-person pastoral activities, home visitation and gatherings which had been curtailed. A digital presence has continued for those who are vulnerable and most parishes which had developed an online liturgical presence and spiritual support activities have maintained these resources which were highly valued by vulnerable members.

### **The Universal Synodal Process within the Diocese**

The diocese continues to be involved in the universal synodal process with the steering committee overseeing meetings and discussions in 2022 and 2023 that fed into preparations for the first stage of the Universal Synod held in Rome in October 2023. The Dromore Diocesan Synod Core Group organised local and diocesan-wide consultation leading to a Diocesan Synopsis submitted to the National Synodal Team in 2022. A Diocesan Synodal gathering took place in January 2023 to which the Apostolic Nuncio to Ireland was invited. In late 2023 this was followed up by the establishment of a Diocesan Pastoral Council pilot team which accepted the challenge of bringing alive a vision for the Diocese going forward, namely: We will have vital and vibrant parish communities that are sustainable for future generations. Four particular areas have been identified for ongoing action planning: Pastoral Care of the Clergy; Communications; Faith Development resources; Effective pastoral and administrative structures to support the mission of the Diocese.

## Dromore Diocesan Trust

### Report of the Trustee (*continued*)

---

#### **Provision of educational, pastoral and youth ministries**

##### ***Catholic schools within the Diocese***

A key aspect of the contribution of the Diocese to the local community is the large network of Catholic Schools. There are nine nursery schools, thirty-seven primary schools and twelve post-primary schools in the Diocese with a total enrolment of approximately 22,000 pupils. The Diocese participates in celebrating this contribution in Catholic Schools Week, an event held throughout Ireland in January/February of each year.

The Diocese of Dromore remains fully committed, through its Catholic Schools, to maintaining, by way of a holistic methodology, the highest standards in learning and thus continuing to offer academic excellence and faith-filled education to all young people. Many non-Catholic parents choose to educate their children in Catholic Schools, not least, because of the excellent education on offer but also the identifiable ethos of trust, mutual respect and recognition of responsibility to those in need.

The Diocese offered support to school communities as they struggled with the impact of closure and the difficulties of distance learning. From the inability to make pastoral visits to schools to the interruption of the public celebration of key moments in the lives of the children (e.g. the sacramental celebrations of First Communion and Confirmation), the pandemic had a significant impact on young people and their spiritual development which is still hard to quantify. Parish communities are to be praised for the provision of alternative arrangements for these key events under greatly restrictive circumstances.

A new diocesan advisory team was established working closely with partners in the Archdiocese of Armagh to share best practice, resources and ideas to support religious education and the ethos of Catholic schools. Celebrations to mark Catholic schools week took place in January which were well attended by local schools at both primary and post-primary level.

##### **Schools Singing Programme**

2022-2023 saw the roll-out of a pilot project to encourage young people to enjoy the benefits of singing as part of their curriculum, while growing in their understanding of faith and liturgy. Partly funded by a UK charity, the project united 600 children from schools in the Archdiocese of Armagh and the Diocese of Dromore. The children benefited from free weekly, professional singing tuition aimed at raising pupil self-esteem as well as providing opportunities for school staff to develop leadership skills in whole-class and group singing.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

### **Youth Ministry**

The Dromore Youth Commission develops faith services to young people across the Diocese. Developing and nurturing leadership skills is a key facet of its work, as the leaders of tomorrow are to be found in the ranks of today's young people. Parental participation and contribution is encouraged as drawing the family into this youth work, draws them closer to God. The organisation of this ministry is led by the Diocesan Youth Director who coordinates over 75 volunteers across the Diocese. Volunteers undergo appropriate safeguarding vetting and training to prepare them for ministry, as well as specialist preparation for particular programmes hosted by the Commission. The Diocesan Youth Director maintains active engagement with the schools of the Diocese to support their work in the spiritual development of pupils. The Diocesan Youth Commission maintains active collaboration with other agencies such as the Education Authority Youth Service, YouthLink and other community youth initiatives at regional and national level.

In partnership with the Archdiocese of Armagh, a group of young leaders attended World Youth Day in Portugal in July 2023 and a parallel "World Youth Day at Home" was organised for those who were unable to travel abroad. This included pilgrimage to Knock Shrine and Croagh Patrick in Co Mayo. A successful initiative (VAKS) to provide 42 young volunteers to assist at Knock Shrine was highly valued by the participants in terms of growing in faith, personal confidence and leadership skills. Summer camps in Newcastle, Co Down, attracted 70 young people and facilitated the training of young leaders. 42 parents and grandparents travelled for a two-day residential experience at Knock Shrine to discuss support for young people and to develop parenting skills.

Key programmes offered by the Youth Commission are: 'Growing in Faith Together' (GIFT) offered to pupils after receiving the Sacrament of Confirmation, the Pope John Paul II Award offered to school-leavers. The activities of the Youth Commission have resumed in 2023, including the participation of students in the Pope John Paul II Award.

### **Safeguarding**

The Diocese is committed morally and legally to upholding the rights of children, young people and vulnerable adults. The Diocesan Safeguarding Office continues to co-ordinate and build upon the existing good work of safeguarding throughout the difficult circumstances of recent years. The Diocesan Safeguarding Office was led by Mrs Patricia Carville (Director of Safeguarding and Diocesan Liaison Person) who retired from post in January 2024 after 15 years of service. She has been replaced by Mr Stephen Sherry. Safeguarding information is readily accessible through the Diocesan website.

The role of the Safeguarding Office is to develop and oversee the implementation of safeguarding practices for the Diocese, for both child protection and adult safeguarding, and to liaise with the statutory agencies in relation to the management of cases and the development of best practice. All the safeguarding personnel in the Diocese work to a Code of Practice in line with the National Board for Safeguarding Children in the Catholic Church in Ireland (NBSCCCI) Standards and Guidance Document. Following the impact of the pandemic in previous years, there has been a concerted effort on the implementation of a development plan written to ensure that parishes were compliant with the Standards for Safeguarding. This action was successfully implemented during 2023.

## Dromore Diocesan Trust

### Report of the Trustee (*continued*)

---

The Diocesan Safeguarding Committee meets regularly to review and support the work of the Safeguarding Office and is accountable to the Apostolic Administrator. The Diocese has opted to use, as its Advisory Panel, the National Case Management Committee of the National Board for Safeguarding Children (based in Maynooth) because of the expertise of the group and the fact that they were independent of the Diocese and objective in their perspective: the Diocesan Liaison Person meets with them twice each year to discuss case management.

Much has been achieved, particularly, by having so many dedicated people providing exemplary support. It is important to note that the Diocese of Dromore safeguarding parish structures comprise of Local Safeguarding Councils made up of representatives who themselves are vetted and trained. These dedicated volunteers continue to maintain a unique and robust safeguarding structure designed to ensure that best practice is driven and maintained at parish level where children, young people and vulnerable adults participate in parish activities.

In 2023 the arrangements for Safeguarding in the Diocese of Dromore were independently reviewed by the National Board for Safeguarding Children in the Catholic Church in Ireland. The Review Report is available on the diocesan website and shows that the Diocese of Dromore is abiding fully with best practice in safeguarding standards.

In 2021, the diocesan authorities and its legal advisors devised and initiated a Redress Scheme for survivors and victims of child sexual abuse perpetrated by members of the clergy and other representatives acting under the authority of the Diocese of Dromore. The scheme was initially scheduled to run for two years, but during 2023 the Diocese agreed to extend the scheme for a further six months to March 2024. Over 40 applications have been made to the scheme with the vast majority proceeding to resolution. A full report will be issued following the completion of the scheme.

It is vitally important that the Diocese has the necessary human and financial resources going forward for safeguarding best practice and for responding, via counselling, support and just compensation and redress to those who have been abused. Being conscious that remaining diocesan funds are limited, the Directors of the Dromore Diocesan Trust have conducted a review to identify any diocesan assets that could be sold in order to meet existing and ongoing safeguarding responsibilities. Following an extensive feasibility study during 2023, the Trust has identified lands at Armagh Road, Newry, which it proposes to sell in order to finance the liabilities of the Diocese. These lands, adjacent to, and including the existing Bishop's House, are in the ownership of the Diocese of Dromore. Given their proximity to the amenities of Newry City Centre and to various educational and retail facilities, it is understood that sections of the land would likely be very suitable for residential development in order to help meet the identified social and private housing need in the Newry area.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

### **Provision and maintenance of places of worship**

Churches play a central role in the spiritual life of Parishioners and along with parochial houses and other associated parish buildings they are often significant landmarks within the wider local community. Public benefit is provided through the provision of safe and worthy places of worship and assembly for not only the Catholic community but for those who wish to make use of them for personal or spiritual contemplation. Many of the Churches and associated buildings are listed as being of special or historical architectural interest. The proper care of these buildings can be onerous but they are essential for the on-going realisation of the principal object of the Charity, the advancement of the Catholic religion.

Church Buildings and their contents amount for approximately 75% of the tangible fixed assets on the balance sheet of the Dromore Diocesan Trust (see page 26 and note 13). These churches are held by the Dromore Diocesan Trustee in trust for each parish in which the churches are located.

General maintenance, minor and major schemes of renewal and projects of construction in regard to church buildings and properties often require major outlays which are essential if these important structures, which form part of our national heritage, are to be maintained not just for present use but for future generations. The management of this responsibility is on-going and is carefully regulated and professionally monitored so that legitimate requests for new works, renovations and adaptations can be readily assessed and progressed.

The Diocese has in place insurance cover in respect of all its buildings so that public access should not be unduly restricted by lack of funds to repair or restore buildings harmed as a result of accidental or other damage.

Renovations to the exterior of the sanctuary of Newry Cathedral were carried out in 2022-23. This work to limit ingress of water and marked the commencement of phased series of renovations to the Cathedral in coming years.

### **Fundraising**

The Trust receives a large proportion of its income from donations, bequests and legacies from its supporters who are generally parishioners or those who have close connections to the Church. Without this valuable support the Trust would not be able to carry out most of its mission. The Trust is mindful of its duty of care to those who support it including vulnerable people, and therefore ensures that fundraising is done in a responsible and caring manner, always bearing in mind that the people themselves are integral to the Church. The Trust does not require its parishioners to donate in order to share in the generous resources that God has provided for their use. It rather encourages a culture of giving where this is possible and therefore places no pressure on its donors to give more than is affordable. Our aim is to look after our parishioners and continue to engage with them in interesting, informative and innovative ways. We continue to strive to reach out to new potential donors and diversify revenue streams.

The closure of churches for public worship during the COVID-19 pandemic and the restrictions on capacity for worship in those years had a serious impact on the ability of parishes to raise funds. Efforts were made to engage parishioners with online donations and standing orders. The Diocese was able to make an insurance claim on behalf of parishes for Business Interruption. These claims were resolved to the sum of £662,000 for 2020 and £465,000 for 2021.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

### **Aid to impoverished and needy communities worldwide**

Trócaire is the official overseas development agency of the Catholic Church in Ireland. It was established by the Irish Bishops' Conference in 1973 as a means through which people contribute to overseas emergency relief and development aid programmes. Its dual mandate is to support the most vulnerable people in the developing world while, also, raising awareness of injustice and global poverty. The Diocese of Dromore, despite its small size, is a significant contributor to the charitable work of Trócaire, and in 2023 contributed over £169,260 (with additional funds sent directly by parishioners to Trócaire).

### **Management of Resources**

Dromore Diocesan Trust is governed by the Diocese of Dromore Trustee through its Board of Directors. The Directors meet regularly throughout the year to attend to the financial, property, building, legal and administrative affairs of the Diocese.

There are six (2022: eight) directors of the Diocese of Dromore Trustee. The Archbishop is Chair of the Trust Board. The Vicar General is ex officio member of the Board. There are three lay and three priest members of the Trustee Board chosen by the Archbishop for their integrity, experience and expertise.

The Secretary for the Trustee Board, appointed by the Archbishop, is the Diocesan Financial Administrator.

The Trustee Board has instituted a number of committees to assist and advise it in the proper performance of its duties, including the Diocesan Building and Property Committee, The Diocesan Finance Committee and the Diocesan Personnel Committee.

The Building and Property Committee provides oversight and makes recommendations in relation to the area of building and property development and considers all capital expenditure budget requests. This includes acquisitions, disposals, letting, leasing, licensing and any other form of alienation which alters the value of a property. The Committee meets on a two-monthly basis and the Chair of this Committee reports its deliberations and makes recommendations to the Trustee Board.

The Diocesan Finance Committee provides oversight and makes recommendations in relation to the area of finance within the Diocese and parishes as set out in the Administrative and Financial Guidelines. This includes strategic planning, fundraising, audit and reporting requirements, controls, investments, budgets etc. The Committee also meets on a two-monthly basis and the Chair of this Committee reports its deliberations and makes recommendations to the Trustee Board.

The Personnel Committee makes strategic recommendations on behalf of and to the Trust Board in relation to the area of parish and Diocesan personnel and human resource management. The Committee meets on a two-monthly basis to consider all issues relating to personnel, employment and remuneration. The Chair of this Committee reports directly to the Trustee Board.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

### Review of Financial Performance

The detailed financial results for the year ended 31 December 2023 are set out in the financial statements that accompany this report.

The table below summarises the financial activities of the Diocese:

	2023 £'000	2022 £'000
<b>Parishes</b>		
Income	4,282	3,835
Expenditure	(3,697)	(2,980)
Net income before assessment and transfers	585	855
Diocesan Assessment and other transfers	(756)	(1,338)
Investment property revaluation	712	-
Increase / (decrease) in reserves	541	(483)
<b>Curia</b>		
Income	288	625
Expenditure	(877)	(3,836)
Diocesan assessment and other transfers	756	1,338
Surplus / (deficit) before investment gains	167	(1,873)
Net gain / (loss) on investments	103	(116)
Investment property revaluation	1,936	-
Increase / (decrease) in reserves	2,206	(1,989)
<b>Total increase / (decrease) in parish and Curia reserves</b>	<b>2,747</b>	<b>(2,472)</b>

Complete details of the income and expenditure are shown in the statement of financial activities on page 25 and in the notes to the accounts.

### Review of transactions and financial position of the Charity

The principal funding source for parishes has continued to be donations from parishioners through the Sunday offertory and other donations which have been used primarily to fund the costs of pastoral activity, maintenance of buildings and administration in the particular parishes in which the donations were received. This source of income is 79% of the parish total. This increased from £2.6m in 2022 to £3.4m in 2023.

Total Curia income decreased from £0.6m in 2022 to £0.29m in 2023. Total expenditure decreased from £3.8m in 2022 to £0.88m in 2023.

# Dromore Diocesan Trust

## Report of the Trustee (*continued*)

---

The reserves of the Charity at 31 December 2023 total £28.5m (2022: £25.7m) and of this total £29m relate solely to the assets and activities of individual parishes and are not available for the non-parish general purposes of the Charity. Curia total reserves are in deficit (£0.5m) at the year-end. The Curia has a negative unrestricted reserves balance which has arisen due to the provision for liabilities and charges. The Trust regularly reviews its potential liabilities in relation to safeguarding issues. As these have grown in recent years, resulting from an increase in the number of claims brought against the Diocese, the curial unrestricted reserves have moved further into deficit.

The Trust considers the resolution of safeguarding issues as of highest priority and is actively committed to seeking a resolution that brings some level of closure and restitution to the victims. The Trust regularly reviews its potential liabilities and lists them on the balance sheet. It has also engaged in a process of identifying assets that can be realised to meet those liabilities. The Trust recognises that, in line with its fixed assets policy, the carrying value of its fixed assets on the balance sheet is stated at cost less depreciation which is considerably less than the realisable value of those assets. The Trustee Board have identified unrestricted assets that could be sold to redress the negative reserves balance (see report on Safeguarding on pages 11-12). The Trust has determined that, once resolved, its future internal incomes and expenditures can be managed in the medium term to accumulate sufficient assets to offset any remaining deficit in these reserves.

### **Investment Policy and Performance**

The Trust Deed authorises the Trustee to make and hold investments. The Trustee has appointed Davy Charities as Investment Managers. The managers have full discretion to invest, subject to the parameters laid down by the Trustee. There is a regular review of information from the Investment Managers which monitors the performance of the portfolio and the investment strategy. Further details are set out at note 14.

At present the Diocesan Finance Committee liaises with the current investment managers, monitors the performance and reports to the Trust Board.

Under Charity Law the Trust Board must seek to obtain the best financial return possible consistent with commercial prudence.

### **Investment Objectives**

The Trustee Board has adopted investment objectives that seek to protect and enhance the real value of the Diocesan Assets over the long term while also achieving agreed rates of income generation.

In fulfilling these objectives, the Trustee Board adheres to an ethical policy that precludes investment in asset classes directly or mainly involved in the manufacture and/or supply of goods and services which are not in accordance with the teachings of the Roman Catholic Church. Environmental issues are also a factor with the Trustee Board seeking to invest in low carbon or carbon neutral investments. In March 2020, the Trustee Board approved to divest from all companies directly involved in fossil fuels in the Diocesan Trust's Investment Portfolio.

The Diocesan Trust Investment Portfolio (£1.,105m) currently managed by Davy Investment Managers is invested over the medium to long term with emphasis on current income with a low-medium risk profile.

# Domore Diocesan Trust

## Report of the Trustee (*continued*)

---

### **Reserves Policy**

The Trust recognises that its income arises primarily from voluntary donations and that accordingly it is important to seek to carry adequate levels of reserves to ensure its ability to meet future expenditure commitments as they arise. Parishes are encouraged to maintain adequate short-term reserves to ensure that they can meet operating costs in the short-term and to build longer-term reserves that will be available if substantial commitments, such as building refurbishment projects, arise in the future. The Diocese centrally aims to maintain adequate levels of reserves to meet Diocesan operating costs in the short to medium term and to provide for any significant expenditures and contingencies that may arise at future dates

Unrestricted funds are not all freely available, should the charity need immediate access to reserves. In order to ensure that the organisation has access to funds it is necessary to adjust unrestricted reserves as recommended by SORP 2019 by excluding Fixed Assets as it would be unlikely that the organisation would be able to liquidate the fixed assets in a timely manner. Our reserves position is heavily impacted by our high asset base which includes Churches which the Board have no intention of selling. The Trustee Board monitors our reserves position and the cash in bank balances on a regular basis to ensure there is no immediate risk to the Trust. The Charity recognises that by excluding Fixed Assets it has a negative unrestricted reserves balance. The Charity has been impacted by an increase in its provision for liabilities this year. The Trust has a strong cash position at the year end 2023 of £3.6m which equates to twenty four months of planned operating expenditure going forward. The Charity will continue to monitor this position and actively take steps to address this position by realising assets and reducing costs. The Charity's targeted policy is to maintain 6 months unrestricted expenditure as free reserves and it will continue to work to achieve this position of liquidity.

### **Financial Management**

With the pro-active involvement of the Trust Committees, Diocesan resources are managed to tightly control all costs in particular property and human resources/employment costs. The Trust Committees pursue a policy of obtaining value for money and protection of Diocesan assets. The management of the Trust property buildings, with input from the Building and Property Committee, is time consuming and costly. However, the resource of property is key to engaging with the Charity's stakeholders and essential for the public benefit it provides.

The Personnel Committee focuses on the costs of employments and compensating employees fairly. The Finance Committee monitors general overheads, one-off expenditure and the financial implications of the Building and Property Committee decisions as well as acting as a sounding board for all the Trustee Committees.

Targeted fundraising is employed when major expenditure projects are being planned which would otherwise put too much strain on existing resources.

### **Future plans**

This brief overview reflects the work of the charity in the current year and also indicates its on-going commitment in regard to fulfilling the principal aims and objectives of the Charitable Trust into the future.

The Diocese of Dromore will continue to build upon and develop the initiatives and activities outlined in the narrative above and so continue to fulfil the principal aims of the Charity. In addition, a primary focus of the Trustee is to secure the long-term financial stability of the Diocese. The appointment of Archbishop Eamon Martin, as Apostolic Administrator, means that the Diocese continues to manage the issues facing the diocese. Periodically the Trustee undertakes a review exercise in respect of all aspects of the activities of the Charity through reports from Parish Priests, Parish Administrators and the various bodies which are constituent parts of the Diocese. The Trust will continue to build upon the work undertaken to date and will continue to foster strategic

## Domore Diocesan Trust

### Report of the Trustee (*continued*)

---

stakeholder engagement.

In support of our work, excellent organisational governance will remain a priority focus, ensuring compliance and delivering required assurances to all our stakeholders.

The financial statements reflect a deficit in unrestricted curia reserves at the end of the year of £3.1m that has arisen from the increasing provision for claims made against the Diocese and the cost of the Redress Scheme launched in September 2021. The Board of Directors of the Trustee have met on numerous occasions since being informed of the increasing provision for claims. It has taken advice from legal and financial specialists and is implementing a plan of action. Firstly, Trustee is reviewing the assets held within the curia to identify those assets that can be realised and generate gains that will allow the unrestricted curia funds to settle the liabilities within the provision as they fall due. It is expected that the provision will fall due over a number of years. Secondly it has been reviewing all assets to establish more clearly which are clearly restricted and beyond the use of the Curia. Thirdly, it has commenced actions with assets that have been identified with development potential and the Trustee has commenced discussions around the process of increasing the asset value with a view to selling these to developers. Finally, it is exploring other avenues to raise funds that can be utilised for the settlement of claims.

The Trustee is of the opinion that assets can be identified and work undertaken to increase their value and these can be subsequently sold and gains achieved to allow the unrestricted curia funds to settle the liabilities within the provisions as they fall due.

Signed on behalf of the Trustee on: 31 October 2024

+ Eamon Martin

Most Reverend Eamon Martin, Apostolic Administrator

Feidhlimidh T. Magennis

Reverend Feidhlimidh Magennis

## Dromore Diocesan Trust

### Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements of the Dromore Diocesan Trust in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Northern Ireland requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable the Trustee to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2008, the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 and the provisions of the trust deed. The Trustee is 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.

Signed on Behalf of the Trustee on 31 October 2024

*+ Eamon Martin*

Most Reverend Eamon Martin, Apostolic Administrator

*Feidhlimidh T. Magennis*

Reverend Feidhlimidh Magennis

## Independent auditors' report to the Trustee of Dromore Diocesan Trust

### **Disclaimer of Opinion**

We were engaged to audit the financial statements of Dromore Diocesan Trust (the "charity") for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Charities SORP (FRS 102).

We do not express an opinion on the accompanying financial statements of the charity.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### **Basis for Disclaimer of Opinion**

The charity has a provision for liabilities, as set out in note 18, that has created a deficit in unrestricted reserves within the Curia, as set out in note 19. We have been unable to obtain sufficient audit evidence that the charity will be able to settle the liabilities within the provision as well as addressing the deficit in the curia unrestricted funds to prepare the financial statements under the going concern basis.

As a result of this matter, we were unable to determine whether the charity is a going concern and any adjustments that might need to be made if the financial statements are not prepared on the going concern basis.

### **Other information**

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the trustee's report.

The comparative financial statements are unaudited.

## Independent auditors' report to the Trustee of Dromore Diocesan Trust (continued)

### **Matters on which the auditor is required to report by exception**

Arising from the limitation of our work referred to above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 require us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

### **Responsibilities of Trustee**

As explained more fully in the Trustee's responsibilities statement set out on page 20, the Trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is 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 Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our responsibility is to conduct an audit of the charity's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

## Independent auditors' report to the Trustee of Dromore Diocesan Trust (continued)

### **Irregularities including fraud**

We have been appointed as auditor under section 65(2)3 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to:

- the charitable status of the Charity and its registration with The Charity Commission for Northern Ireland under the Charities Act (Northern Ireland) 2008 and the Charities Act (Northern Ireland) 2013;
- compliance with the Charities SORP (FRS 102) (second edition - October 2019) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019);
- data protection laws (including UK General Data Protection Regulation (GDPR)); and
- safeguarding of children, young people and adults in need of protection.

We assessed the risks of material misstatement in respect of fraud with the consideration of:

- the Charity's own assessment of the risks that irregularities may occur either because of fraud or error that was approved by the directors of the Trustee;
- the results of our enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

## Independent auditors' report to the Trustee of Dromore Diocesan Trust (continued)

- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

- we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the areas of the controls covering the receipt of donations and offerings that are received in cash and in which management is required to exercise significant judgment, such as disclosure of adjusting items. 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 framework that the Charity operates in, 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 NI Charity legislation (including the regulator, The Charities Commission for Northern Ireland) and the Charity SORP.
- 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 to the charity's ability to operate or to avoid a material penalty. This included data protection and safeguarding.
- we made enquiries of management and those charged with governance and reviewed minutes of the Board of the Trustee and Parish Finance Committees and enquired about any communications with the charity regulator.

### **Audit procedures designed to respond to the risks of fraud**

- we considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach.
- we considered the risk of fraud through transactions outside the normal course of transactions by noting anything that was unusual in nature or size and enquired about such transaction to gain an understanding of their nature;
- based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud and other irregularities.
- we reviewed the operation of the controls within the Parishes over the collections, donations and offerings and the segregation of duties within those controls and those controls within the Curia, together with substantive testing and analytical review and incorporating an element of unpredictability in the selection of the nature, timing and extent of audit procedures.
- we evaluated the selection and application of accounting policies by the Charity, particularly those related to subjective measurements and complex transactions, that may be indicative of fraudulent financial reporting.

Independent auditors' report to the Trustee of Dromore Diocesan Trust  
(continued)

**Use of our report**

This report is made solely to the charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to the Trustee 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 Trustee as a body, for our audit work, for this report, or for the opinions we have formed.



**Hill Vellacott**

Chartered Accountants and Statutory Auditor  
22 Great Victoria Street, Belfast, BT2 7BA

31 October 2024

Hill Vellacott is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# Dromore Diocesan Trust

## Statement of financial activities Year ended 31 December 2023

	Note	Parishes		Curia		2023	2022
		Unrestricted funds £'000	Restricted funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
<b>Income from:</b>							
Donations and legacies	2	2,827	573	107	26	133	2,888
Investment income	3	-	-	1	3	4	2
Other income	4	38	-	-	-	-	568
Charitable activities	5	830	14	28	58	86	952
Net gain / (losses) on disposals of assets	6	-	-	-	65	65	50
<b>Total</b>		<b>3,695</b>	<b>587</b>	<b>136</b>	<b>152</b>	<b>288</b>	<b>4,460</b>
<b>Expenditure on:</b>							
Cost of raising funds	7	11	-	-	-	-	11
Charitable expenditure	8	3,290	396	620	257	877	6,805
Investment management costs		-	-	-	-	-	-
<b>Total</b>		<b>3,301</b>	<b>396</b>	<b>620</b>	<b>257</b>	<b>877</b>	<b>6,816</b>
Net income / (expenditure)	11	394	191	(484)	(105)	(589)	(2,356)
Net gains on investments	9	-	-	22	81	103	(116)
Gross transfers between funds		(715)	(41)	520	236	756	-
<b>Total</b>		<b>(321)</b>	<b>150</b>	<b>58</b>	<b>212</b>	<b>270</b>	<b>(2,472)</b>
<b>Other recognised gains and losses</b>							
Revaluation on properties		712	-	1,936	-	1,936	-
<b>Net movement on funds</b>		<b>391</b>	<b>150</b>	<b>1,994</b>	<b>212</b>	<b>2,206</b>	<b>(2,472)</b>
Fund balances brought forward	19	27,840	583	(5,128)	2,440	(2,688)	28,207
<b>Fund balances carried forward</b>	19	<b>28,231</b>	<b>733</b>	<b>(3,134)</b>	<b>2,652</b>	<b>(482)</b>	<b>25,735</b>

The prior year Statement of Financial Activities is provided in note 27.

The notes on pages 28 to 57 form part of these financial statements.

# Dromore Diocesan Trust

## Balance sheet

31 December 2023

	Note	2023 Parishes £'000	2023 Curia £'000	Total £'000	2022 Total £'000
<b>Fixed assets</b>					
Tangible fixed assets	13	26,225	2,583	28,808	26,942
Investments	14	-	1,105	1,105	1,003
		26,225	3,688	29,913	27,945
<b>Current assets</b>					
Debtors	15	891	5	896	798
Cash at bank and in hand		5,716	1,544	7,260	7,587
		6,607	1,549	8,156	8,385
<b>Creditors - amounts falling due within one year</b>	16	(3,868)	(422)	(4,290)	(4,083)
		2,739	1,127	3,866	4,302
<b>Net current assets</b>					
		28,964	4,815	33,779	32,247
<b>Total assets less current liabilities and loan</b>					
<b>Creditors due after one year</b>	18	-	(5,297)	(5,297)	(6,512)
Provisions for liabilities and charges					
		28,964	(482)	28,482	25,735
<b>Net assets</b>					
		28,231	(3,134)	25,097	22,712
<b>Unrestricted funds</b>	19	733	2,652	3,385	3,023
<b>Restricted funds</b>					
		28,964	(482)	28,482	25,735
<b>Total funds</b>					

The prior year Balance Sheet is provided in note 28.

The financial statements were approved by the Trustee on 31 October 2024 and signed on its behalf by:

+ Eamon Martin  
Most Reverend Eamon Martin, Apostolic Administrator  
Director

Feidhlimidh Magennis  
Director

The notes on pages 28 to 57 form part of these financial statements.

# Dromore Diocesan Trust

## Statement of cash flows

31 December 2023

	2023 £'000	2022 £'000
<b>Cash flow from operating activities</b>		
Net (expenditure)	(4)	(2,355)
Investment income	(3)	(2)
Depreciation	282	301
(Increase) in debtors	(98)	(483)
(Decrease) / increase in creditors	(3)	975
(Decrease) / increase in provisions	(1,215)	2,165
(Gain) on disposals of assets	(65)	(50)
	<hr/>	<hr/>
Net cash (used in) / generated from operating activities	<b>(1,106)</b>	551
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Investment income received	3	2
Purchase of tangible assets	-	(12)
Sale of tangible assets	565	700
	<hr/>	<hr/>
Net cash generated from investing activities	<b>568</b>	690
	<hr/>	<hr/>
Net (decrease) / increase in cash and cash equivalents	<b>(538)</b>	1,241
Cash and cash equivalents at 31 December 2022	<b>4,171</b>	2,930
	<hr/>	<hr/>
<b>Cash and cash equivalents at 31 December 2023</b>	<b>3,633</b>	4,171
	<hr/>	<hr/>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	<b>7,260</b>	7,587
Bank overdrafts	<b>(3,627)</b>	(3,416)
	<hr/>	<hr/>
	<b>21</b>	<b>3,633</b>
	<hr/>	<hr/>

# Dromore Diocesan Trust

## Notes

### 1 Accounting policies

#### Summary of significant accounting policies

##### General information and basis of preparation

Dromore Diocesan Trust is a registered charity in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are:

The advancement of the Roman Catholic religion in the Roman Catholic Dromore Diocesan Trust subject to any future curtailment or addition of area made in accordance with the laws and regulations of the Roman Catholic Church.

The advancement of any charitable purpose supported by the Roman Catholic Church throughout the world or in any part of the world.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2023, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2008 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Trustee 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.

##### Significant judgements

The judgments (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

###### *Going concern*

The financial statements have been prepared under the going concern concept under which the Trustee has reviewed a period of at least 12 months from the date of approval of these financial statements and has exercised judgement that the charity can continue to operate. The claims against the charity have been recognised within curia unrestricted funds and the curia unrestricted funds are in deficit at the start of the year and at the end of the year. The charity continues to explore options to address the curia unrestricted fund deficit and in the Trustee's judgement, the deficit can be addressed.

# Dromore Diocesan Trust

## Notes *(continued)*

### *Tangible assets*

Church property within the parishes and curia property is stated at cost less accumulated depreciation and the Trustee will exercise judgement when identifying the useful life and the residual value of those assets.

### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

#### *Revaluation of investment properties*

The charity carries the investment properties at fair value with changes in fair value being recognised in the SoFA. The Trustee has used available expertise to determine the fair value, based on market value of the investment properties. Further information is available at note 13.

#### *Provisions for liabilities and charges – legal claims*

The charity has provided for the value of claims and the associated legal costs that have been notified to the Trustee. The Trustee has taken advice from the solicitors engaged in the claims to arrive at the amount provided. The details of the amount provided is included in note 18.

### **Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

# Dromore Diocesan Trust

## Notes *(continued)*

### **Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustee's Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of running costs and upkeep of properties. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

# Dromore Diocesan Trust

## Notes *(continued)*

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Other income includes the conversion of endowment funds into income which arises when capital funds are released to an income fund from expendable endowments or when a charity has authority to adopt a total return approach to its permanent endowment fund. It also includes other income such as gains on disposals of tangible fixed assets.

### **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes cost of fundraising from within the Parish and Curia.
- Expenditure on charitable activities includes administration costs, bank fees, depreciation and premises expenses.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

### **Resources expended**

Resource expended are included in the statement of financial affairs on the basis of the amounts payable for work done and services provided in the year.

The costs of activities in the furtherance of the charity's objectives consist of all expenditure directly related to the objectives of the Diocese.

The costs of generating funds consist of expenditure incurred by the charity in encouraging others to make contributions to it.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

# Dromore Diocesan Trust

## Notes *(continued)*

### **Tangible fixed assets**

#### **Curia buildings**

The Trustee's view was that a reasonable approximation of the net book value of the curial property held at 31 December 2014 would be established through discounting the insurance values of these assets by 90%.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its estimated useful economic life at 0.67% straight line.

#### **Parish land**

Parish land is divided into different categories and has been valued by the Trustee using a value per acre, depending upon the type of land that is held, to arrive at deemed cost.

#### **Church property and contents**

Prior to 2015, the accounting policy applied was for capital expenditure to be written off in full as incurred. As a result of that policy, the original costs and accumulated depreciation of all church property and contents held then was not available. The Trustee's view was that a reasonable approximation of the net book value of the church property and contents held at 31 December 2014 would be established through discounting the insurance values of these assets by 90%. This was the policy employed to include the assets on the balance sheet at estimated historic cost net of accumulated depreciation. Of the 22 parishes, all will have a church and a presbytery and some will have oratories and halls.

Church property and contents depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life at 0.67% pa straight line.

#### **Other tangible fixed assets**

Other tangible fixed assets are stated at cost less depreciation. Additions are capitalised where the value exceeds £1,000. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	10% reducing balance (curia)
	10% reducing balance (parishes)

#### **Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

#### **Investments**

Investments are recognised initially at market value at the balance sheet date which is normally the transaction price excluding transaction costs.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

# Dromore Diocesan Trust

## Notes *(continued)*

### **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

### **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

### **Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

### **Concessionary loans**

Concessionary loans include those receivable / payable which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable more than one year, the loan is initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method, less impairment.

### **Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

### **Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

### **Leases**

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

# Dromore Diocesan Trust

## Notes *(continued)*

### **Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

### **Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### **Tax**

The Trustees consider that the Charity is largely exempt from income tax under the provisions of the Income and Corporation Taxes Act 1988 and the Taxation of Taxable Gains Act 1992. Recovery is made of tax deducted from Income and from receipts under Gift Aid. The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

# Dromore Diocesan Trust

Notes (continued)

## 2 Voluntary income

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Offeratories, donations and legacies	2,827	573	3,400
	<u>2,827</u>	<u>573</u>	<u>3,400</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Offeratories, donations and legacies	2,120	512	2,632
	<u>2,120</u>	<u>512</u>	<u>2,632</u>

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Donations and gifts	107	26	133
	<u>107</u>	<u>26</u>	<u>133</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Donations and gifts	218	38	256
	<u>218</u>	<u>38</u>	<u>256</u>

# Dromore Diocesan Trust

Notes *(continued)*

## 3 Investment income

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Bank interest	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Bank interest	-	-	-
	<hr/>	<hr/>	<hr/>
	-	-	-
	<hr/>	<hr/>	<hr/>

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Listed investments	1	3	4
	<hr/>	<hr/>	<hr/>
	1	3	4
	<hr/>	<hr/>	<hr/>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Listed investments	2	-	2
	<hr/>	<hr/>	<hr/>
	2	-	2
	<hr/>	<hr/>	<hr/>

# Dromore Diocesan Trust

Notes (continued)

## 4 Other Income

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Insurance Claims	38	-	38
	<u>38</u>	<u>-</u>	<u>38</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Insurance Claims	489	-	489
	<u>489</u>	<u>-</u>	<u>489</u>

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Insurance Claims	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Insurance Claims	79	-	79
	<u>79</u>	<u>-</u>	<u>79</u>

# Dromore Diocesan Trust

Notes *(continued)*

## 5 Incoming resources from charitable activities

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Fundraising	344	-	344
Booklets and pilgrimages	222	-	222
Other incoming resources from charitable activities	120	-	120
Capital grants received	37	-	37
Other Grants Received	107	-	107
Youth Ministry	-	14	14
	<hr/>	<hr/>	<hr/>
	<b>830</b>	<b>14</b>	<b>844</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Fundraising	310	-	310
Booklets and pilgrimages	212	-	212
Other incoming resources from charitable activities	98	-	98
Capital grants received	32	-	32
Other Grants Received	-	-	-
Youth Ministry	-	12	12
	<hr/>	<hr/>	<hr/>
	<b>652</b>	<b>12</b>	<b>664</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Dromore Diocesan Trust

Notes (continued)

## 5 Incoming resources from charitable activities (continued)

### Curial

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Youth Commission Income	-	30	30
Youth Ministry	-	-	-
Sick and retired priests	-	(2)	(2)
Family Care Collection	-	-	-
Education of Priests Collection	-	-	-
Rent Receivable	5	4	9
Bank Interest rec'd	23	-	23
Other Grants Received	-	26	26
	<hr/>	<hr/>	<hr/>
	<b>28</b>	<b>58</b>	<b>86</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Youth Commission Income	-	21	21
Youth Ministry	-	1	1
Sick and retired priests	-	(1)	(1)
Family Care Collection	-	2	2
Education of Priests Collection	-	2	2
Rent Receivable	5	7	12
Bank Interest rec'd	-	-	-
Other Grants Received	251	-	251
	<hr/>	<hr/>	<hr/>
	<b>256</b>	<b>32</b>	<b>288</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Dromore Diocesan Trust

Notes *(continued)*

## 6 Net gains/losses on disposals of fixed assets

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
<b>Profit/(Loss) on sale on tangible fixed assets</b>			
Parishes	-	-	-
Curia	-	65	65
	<hr/>	<hr/>	<hr/>
	-	65	65
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Profit/(Loss) on sale on tangible fixed assets			
Parishes	50	-	50
Curia	-	-	-
	<hr/>	<hr/>	<hr/>
	50	-	50
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Dromore Diocesan Trust

Notes *(continued)*

## 7 Costs of generating funds

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Fundraising costs	11	-	11
	<u>11</u>	<u>-</u>	<u>11</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Fundraising costs	11	-	11
	<u>11</u>	<u>-</u>	<u>11</u>

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Fundraising costs	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Fundraising costs	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

# Dromore Diocesan Trust

Notes (continued)

## 8 Costs of activities in furtherance of charitable activities

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Administration costs	86	-	86
Bank interest	-	-	-
Parish centre costs	60	-	60
School payments	37	-	37
Priest Welfare Payments	-	396	396
Clerical Provident Society	-	-	-
Premises costs including insurance	887	-	887
Repairs and maintenance	920	-	920
Gross salaries and employers' NIC costs	425	-	425
Votives and liturgical costs	182	-	182
Cemetery Maintenance	313	-	313
Depreciation	282	-	282
Other Costs	98	-	98
	<u>3,290</u>	<u>396</u>	<u>3,686</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Administration costs	164	-	164
Bank interest	-	-	-
Parish centre costs	103	-	103
School payments	-	-	-
Priest Welfare Payments	-	380	380
Clerical Provident Society	-	-	-
Premises costs including insurance	798	-	798
Repairs and maintenance	369	-	369
Gross salaries and employers' NIC costs	405	-	405
Votives and liturgical costs	181	-	181
Cemetery Maintenance	175	-	175
Depreciation	301	-	301
Other Costs	93	-	93
	<u>2,589</u>	<u>380</u>	<u>2,969</u>

# Dromore Diocesan Trust

Notes (continued)

## 8 Costs of activities in furtherance of charitable activities (continued)

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Gross salaries and employers' NIC costs	78	40	118
DCPS Payments	-	77	77
Franchise Fee	-	-	-
Administration costs	22	1	23
Parish Centre Costs	3	-	3
Subscriptions	-	-	-
Child protection costs	197	-	197
Bank interest	36	-	36
Healthcare costs	-	-	-
Compensation fees	-	-	-
Training	-	-	-
Other Costs	284	139	423
Donations	-	-	-
	<u>620</u>	<u>257</u>	<u>877</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Gross salaries and employers' NIC costs	141	37	178
DCPS Payments	-	79	79
Franchise Fee	-	-	-
Administration costs	22	-	22
Parish Centre Costs	1	-	1
Subscriptions	-	-	-
Child protection costs	25	-	25
Bank interest	-	-	-
Healthcare costs	-	-	-
Compensation fees	3,241	-	3,241
Training	-	-	-
Other Costs	216	74	290
Donations	-	-	-
	<u>3,646</u>	<u>190</u>	<u>3,836</u>

# Dromore Diocesan Trust

Notes *(continued)*

## 9 Gains / (losses) on investments

### Parishes

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Increase / (decrease) in investments value	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Increase / (decrease) in investments value	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Increase in investments value	22	81	103
	<u>22</u>	<u>81</u>	<u>103</u>
	<u>22</u>	<u>81</u>	<u>103</u>

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
(Decrease) in investments value	(25)	(91)	(116)
	<u>(25)</u>	<u>(91)</u>	<u>(116)</u>
	<u>(25)</u>	<u>(91)</u>	<u>(116)</u>

# Dromore Diocesan Trust

Notes (continued)

## 10 Governance costs

### Curial and pastoral

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000
Fees payable to external auditors for audit	26	-	26
	<u>26</u>	<u>-</u>	<u>26</u>
	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Fees payable to external auditors for other services	6	-	6
	<u>6</u>	<u>-</u>	<u>6</u>

## 11 Net income / (expenditure)

Net income / (expenditure) is stated after charging:

	2023 £'000	2022 £'000
Auditor's remuneration – audit	26	-
Auditor's remuneration – other services	-	6
Depreciation – unrestricted funds	282	301
Gain on disposal of fixed assets	65	50
Gain on fair value movement of investment property	2,648	-
Profit/(Loss) on fair value movement of investments	103	(116)
	<u>2,648</u>	<u>(116)</u>

## Dromore Diocesan Trust

Notes (continued)

### 12 Staff numbers, costs and pension contributions

The average number of employees during the year was:

	<b>2023</b> <b>Number</b>	<b>2022</b> <b>Number</b>
Curia employees	7	8
Parish employees	41	40
	<hr/>	<hr/>
	<b>48</b>	<b>48</b>
	<hr/> <hr/>	<hr/> <hr/>

The aggregate payroll costs for the above were as follows:

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Wages and salaries	492	496
Social security costs	27	27
Employer pension contributions	8	6
	<hr/>	<hr/>
	<b>527</b>	<b>529</b>
	<hr/> <hr/>	<hr/> <hr/>

No employee received emoluments, this year or last year, of more than £60,000.

The Trust makes payments to personal pension schemes and through auto enrolment in respect of eligible employees. The pension charge represents contributions due from the Trust and amounted to £8,046 (2022 - £6,135).

# Dromore Diocesan Trust

Notes (continued)

## 13 Tangible fixed assets

### Parishes

	Church Building & Contents £'000	Land £'000	Fixtures, fittings and equipment £'000	Total £'000	Freehold investment properties £'000
<b>Cost or calculation</b>					
At 1 January 2023	21,787	1,550	3,696	27,033	1,715
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Revaluation	-	-	-	-	712
<b>At 31 December 2023</b>	<b>21,787</b>	<b>1,550</b>	<b>3,696</b>	<b>27,033</b>	<b>2,427</b>
<b>Depreciation</b>					
At 1 January 2023	925	-	2,028	2,953	-
Charge for year	116	-	166	282	-
Elim on Disposal	-	-	-	-	-
<b>At 31 December 2023</b>	<b>1,041</b>	<b>-</b>	<b>2,194</b>	<b>3,235</b>	<b>-</b>
<b>Net book value</b>					
<b>At 31 December 2023</b>	<b>20,746</b>	<b>1,550</b>	<b>1,502</b>	<b>23,798</b>	<b>2,427</b>
At 31 December 2022	20,862	1,550	1,668	24,080	1,715

Investment land and properties have been valued at fair value by the Trustee on the basis of market value, after obtaining the advice of OKT, 22 Adelaide Street, Belfast, BT2 8GD.

## Dromore Diocesan Trust

Notes *(continued)*

### 13 Tangible fixed assets *(continued)*

#### Curia

	Land and buildings	Fixtures, fittings and equipment	Total	Freehold Investment Property
	£'000	£'000	£'000	£'000
<b>Cost or calculation</b>				
At 1 January 2023	1,147	3	1,150	-
Additions	-	-	-	-
Transfers	(314)	-	(314)	314
Disposals	(500)	-	(500)	-
Revaluation	-	-	-	1,936
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>At 31 December 2023</b>	<b>333</b>	<b>3</b>	<b>336</b>	<b>2,250</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 1 January 2023	-	3	3	-
Charge for year	-	-	-	-
Elim on Disposal	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>At 31 December 2023</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>				
<b>At 31 December 2023</b>	<b>333</b>	<b>-</b>	<b>333</b>	<b>2,250</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2022	1,147	-	1,147	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Investment land and properties have been valued at fair value by the Trustee on the basis of market value, after obtaining the advice of OKT, 22 Adelaide Street, Belfast, BT2 8GD.

# Dromore Diocesan Trust

## Notes (continued)

### 14 Investments

	2023 £'000	2022 £'000
At market value		
At 1 January 2023	1,003	1,119
Unrealised gains	118	120
Realised (losses)	(17)	(236)
Income received	9	7
Fees paid	(8)	(7)
	<hr/>	<hr/>
<b>At 31 December 2023</b>	<b>1,105</b>	<b>1,003</b>
	<hr/> <hr/>	<hr/> <hr/>
	2023 £'000	2022 £'000
Movements		
Government Bonds	245	220
Corporate & other bonds	103	114
International Equity	635	536
Emerging market Equity	73	60
Commodities	45	42
Cash	4	31
	<hr/>	<hr/>
	<b>1,105</b>	<b>1,003</b>
	<hr/> <hr/>	<hr/> <hr/>

### 15 Debtors

	Parishes £'000	2023 Curia £'000	Total £'000	2022 Total £'000
Trade debtors	27	-	27	9
Gift Aid Debtor	372	-	372	295
Prepayments	132	-	132	159
Sundry Debtor	27	5	32	2
Insurance proceeds	333	-	333	333
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>891</b>	<b>5</b>	<b>896</b>	<b>798</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Dromore Diocesan Trust

Notes *(continued)*

## 16 Creditors - amounts falling due within one year

	Parishes £'000	2023 Curia £'000	Total £'000	2022 Total £'000
Bank overdrafts	3,627	-	3,627	3,416
Trade creditors	135	-	135	79
Accruals and deferred income	24	204	228	241
Other creditors	-	215	215	251
Interorganisational Creditor	17	-	17	29
Schools creditor	63	-	63	59
Other taxes and social security costs	2	3	5	8
	<u>3,868</u>	<u>422</u>	<u>4,290</u>	<u>4,083</u>

## 17 Statement of control

The charity is controlled by the Diocese of Dromore Trustee, a company limited by guarantee, registered in Northern Ireland.

## 18 Provisions

The trust has made a provision in these financial statements of £5,297,000 (2022: £6,512,000) to cover legal claims and costs. The Trustee has made this provision in this year's financial statements based upon legal advice on the likely outcome of these cases.

	Legal claims & costs £'000	Total £'000
Opening balance	6,512	6,512
Payments made in the year	(1,215)	(1,215)
	<u>5,297</u>	<u>5,297</u>
<b>Closing balance</b>	<u>5,297</u>	<u>5,297</u>

## Dromore Diocesan Trust

### Notes (continued)

#### 19 Movement in funds

	Opening balance £'000	Income £'000	Expenditure £'000	Other gains / (losses) £'000	Transfers £'000	Closing balance £'000
<b>Unrestricted funds</b>						
Parishes	27,840	3,695	(3,301)	712	(715)	28,231
Curia	(5,128)	136	(620)	1,958	520	(3,134)
<b>Total unrestricted funds</b>	<b>22,712</b>	<b>3,831</b>	<b>(3,921)</b>	<b>2,670</b>	<b>(195)</b>	<b>25,097</b>
<b>Restricted funds - Parishes</b>						
Parishes	583	587	(396)	-	(41)	733
Capital grants	-	-	-	-	-	-
<b>Total unrestricted funds</b>	<b>583</b>	<b>587</b>	<b>(396)</b>	<b>-</b>	<b>(41)</b>	<b>733</b>
<b>Restricted funds - Curia</b>						
Education of Priests Collection	-	25	(25)	-	-	-
Family Care Collection	-	-	(76)	-	76	-
School Singing Programme	-	25	(3)	-	-	22
DCPS	1,185	70	(108)	-	93	1,240
Clergy Support	463	2	-	-	50	515
Donations restricted	789	-	-	81	-	870
Youth Commission	3	30	(45)	-	17	5
<b>Total restricted funds</b>	<b>2,440</b>	<b>152</b>	<b>(257)</b>	<b>81</b>	<b>236</b>	<b>2,652</b>
<b>Total restricted funds</b>	<b>3,023</b>	<b>739</b>	<b>(653)</b>	<b>81</b>	<b>195</b>	<b>3,385</b>
<b>Total funds</b>	<b>25,735</b>	<b>4,570</b>	<b>(4,574)</b>	<b>2,751</b>	<b>-</b>	<b>28,482</b>

# Dromore Diocesan Trust

Notes *(continued)*

## 19 Movement in funds (continued)

The curia unrestricted funds are overdrawn by £3.134m (2022 - £5.128m) and this decrease has arisen from the revaluation of the Curia assets this year as set out in note 13. The charity is reviewing the assets held within the curia to identify those assets that can be realised and generate gains that will allow the unrestricted curia funds to settle the liabilities within the provision. The charity has been reviewing all assets to establish more clearly which are clearly restricted and beyond the use of the Curia and in addition, the charity is exploring other avenues to raise funds that can be utilised for the settlement of claims.

The details of the restricted funds are as follows:

### **Parishes**

This fund reflects collections taken by the parishes for specific purposes.

### **Clergy Support**

This fund represents the surplus of monies collected for the support of priests of the Diocese. The policy is to maintain a reserve for the long-term provision for priests' support which represents at least six months of expenditure.

### **Diocesan Clerical Provident Society**

This fund provides support for sick and retired secular priests of the Diocese who may need financial assistance.

### **Youth Commission**

This fund is used to support the operation of the Dromore Diocesan Youth Commission office.

### **Family Care**

This fund is used to support agencies involved in family ministry within the Diocese and at a national level.

### **Education of Priests**

This fund is used to support the education, training and living costs of seminarians and clergy of the Diocese.

### **Bequests**

These funds are legacy bequests and are restricted for the purposes stipulated in the will of the testator or testatrix.

### **School Singing Programme**

This fund supports a school singing programme based on the National School Singing Programme and a grant was received and is used to support schools to promote liturgical music and singing.

## Dromore Diocesan Trust

Notes (continued)

### 20 Amounts held as agent

There are various collections taken up during the year within the Diocese that are collections undertaken as agent on behalf of other organisations. These funds are lodged to the bank and then paid to the individual organisations. The amount of funds held by the trust at 31 December 2023 was £64,746 (2022 - £52,498) at year end.

The main collection that would be taken up each year is the annual Trócaire appeal. During the year a total of £169,260 (2022 - £156,120) was collected.

### 21 Analysis of changes in net debt

	At start of year £'000	Cashflows £'000	At end of year £'000
Cash	7,587	(327)	7,260
Overdraft facility repayable on demand	(3,416)	(211)	(3,627)
	—	—	—
<b>Total</b>	<b>4,171</b>	<b>(538)</b>	<b>3,633</b>



# Dromore Diocesan Trust

Notes (continued)

## 23 Trustee remuneration

The Trustee neither received nor waived any emoluments nor made a claim for expenses incurred relating to duties carried out for the Trust. Four directors of the Trustee received stipends, in aggregate, totaling £33,600 for the year to 31 December 2023, (2022 - £27,350). These stipends were paid to them in respect of their role as serving Ministers of the Church and not as a result of their Trustee role. No pension contributions were paid on their behalf. Accommodation is provided for them exclusively as a consequence of their ministries within the Diocese.

## 24 Key management personnel

The Charity considers key management personnel comprises the Directors, Diocesan Finance Manager and Diocesan Secretary. The total amount of remuneration and benefits received by key management personnel, excluding the amounts included in note 23, in the financial year is £41,570 (2022 - £60,970).

## 25 Capital commitments

The charity has contracted for capital commitments as at 31 December 2023 of £nil (2022 £nil).

## 26 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	<b>2023</b>	2022
	<b>£'000</b>	£'000
<b>Financial assets</b>		
Measured at fair value through net income / expenditure		
Fixed asset investment properties (note 13)	<b>4,677</b>	1,715
Fixed asset listed investments (note 14)	<b>1,105</b>	1,003
	<hr/>	<hr/>
	<b>5,782</b>	2,718
	<hr/>	<hr/>

# Dromore Diocesan Trust

## Notes (continued)

### 27 Prior year Statement of Financial Activities

	Note	Parishes		Curia		2022
		Unrestricted funds £'000	Restricted funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
<b>Income from:</b>						
Donations and legacies	2	2,120	512	218	38	2,888
Investment income	3	-	-	2	-	2
Other income	4	489	-	79	-	568
Charitable activities	5	652	12	256	32	952
Net gains on disposals of assets	6	50	-	-	-	50
<b>Total</b>		<b>3,311</b>	<b>524</b>	<b>555</b>	<b>70</b>	<b>4,460</b>
<b>Expenditure on:</b>						
Cost of raising funds	7	11	-	-	-	11
Charitable expenditure	8	2,589	380	3,646	190	6,805
<b>Total</b>		<b>2,600</b>	<b>380</b>	<b>3,646</b>	<b>190</b>	<b>6,816</b>
<b>Net income / (expenditure)</b>	<b>11</b>	<b>711</b>	<b>144</b>	<b>(3,091)</b>	<b>(120)</b>	<b>(2,356)</b>
<b>Net gains on investments</b>						
Gross transfers between funds		-	-	(25)	(91)	(116)
<b>Total</b>		<b>(1,283)</b>	<b>(55)</b>	<b>1,206</b>	<b>132</b>	<b>-</b>
<b>Net movement on funds</b>						
Fund balances brought forward	19	(572)	89	(1,910)	(79)	(2,472)
<b>Fund balances carried forward</b>	<b>19</b>	<b>27,840</b>	<b>583</b>	<b>(5,128)</b>	<b>2,440</b>	<b>25,735</b>

# Dromore Diocesan Trust

Notes (continued)

## 28 Prior Year Balance Sheet

	Note	Parishes £'000	2022 Curia £'000	Total £'000
<b>Fixed assets</b>				
Tangible fixed assets	13	25,795	1,147	26,942
Investments	14	-	1,003	1,003
		25,795	2,150	27,945
<b>Current assets</b>				
Debtors	15	798	-	798
Cash at bank and in hand		5,441	2,146	7,587
		6,239	2,146	8,385
<b>Creditors - amounts falling due within one year</b>		(3,611)	(472)	(4,083)
		2,628	1,674	4,302
<b>Net current assets</b>				
		28,423	3,824	32,247
<b>Total assets less current liabilities</b>				
	18	-	(6,512)	(6,512)
<b>Provisions for liabilities and charges</b>				
		28,423	(2,688)	25,735
<b>Total assets less current liabilities</b>				
	19	27,840	(5,128)	22,712
<b>Unrestricted funds</b>		583	2,440	3,023
<b>Restricted funds</b>				
		28,423	(2,688)	25,735
<b>Total funds</b>				