

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.

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