

The Derry Diocesan Trust Fund for Sick Priests

Report of the Trustees **for the Year Ended 31 December 2023**

The trustees, who are also directors of the company for the purposes of company law, present their report with the audited financial statements of the company for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" and with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

Structure, Governance and Management

Governing Document

The company was incorporated on 3 July 2001, to provide members, who are sick through physical illness or mental illness, with health care and medical treatment paid for by the Trust Fund charity with the aim of assisting a return to full health and a return to active ministry as priests as quickly as possible.

The Derry Diocesan Trust Fund for Sick Priests is a Limited Company and registered as a charity in Northern Ireland on 3 November 2017. It is governed by its Memorandum and Articles of Association. In the event of the company being wound up, liability is limited to an amount not exceeding £100 per member.

Appointment of Trustees

All trustees are elected or appointed to the Management Committee under the Memorandum and Articles of Association. The number of trustees is not subject to any maximum but will not normally be less than seventeen. The trustees also act as company directors.

The trustees shown below have held office during the whole of the period from 1 January 2023 to the date of this report, unless otherwise stated.

Most Rev Daniel McKeown DD
Right Rev Monsignor Bryan McCanny
Rev Paul McCafferty
Rev Michael Canny
Right Rev Monsignor Andrew Dolan (resigned 26.06.2023)
Rev Eugene Boland
Rev Peter Devlin
Very Rev Francis Bradley
Rev Patrick Baker
Rev Michael McCaughey (resigned 26.06.2023)
Rev John Gilmore (resigned 26.06.2023)
Rev Gerard Sweeney
Rev Patrick Doherty
Rev Con McLaughlin
Rev David O'Kane
Rev Eamon Graham (appointed 1.06.2023)

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The company is a company limited by guarantee and not having a share capital and accordingly no director has any interests in shares in the company.

Induction and training

A programme of ongoing training is provided to trustee directors to ensure continued relevant knowledge and competence. Training is delivered by suitably qualified individuals in relevant areas.

Management of the Charity

The directors of the Trust Fund charity meet regularly and at least several times every year. The frequency of meetings varies to reflect the nature and volume of business to be considered. The directors provide strategic direction and monitor the activities of the charity and delegate the day-to-day operational management to a number of officers.

Related Parties

None of the members receive remuneration or other benefit from their work with the charity. Any connection between a member or senior manager of the charity with a contracted supplier must be disclosed to the full Management Committee in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Objectives and Activities

In furtherance of our aims, our current strategy is to provide the following services and activities:

- To provide members, who are sick through physical illness or mental illness, with health care and medical treatment paid for by the Trust Fund charity with the aim of assisting a return to full health and a return to active ministry as priests as quickly as possible.
- Membership of the Trust Fund charity is available to all ordained priests of the Roman Catholic Diocese of Derry.
- Success in meeting objectives is measured by the Trust Fund charity's ability to meet the costs of eligible claims in the period and the maintenance of sufficient reserves for possible future claims.

Achievements and Performance

Over the last thirteen months twelve members, who were in need of assistance through illness, were provided with health care and medical treatment paid for by the Trust Fund charity and thus assisting a return to full health and a return to active ministry as priests as quickly as possible. In addition, the Trust Fund charity maintained its policy of carrying medical insurance cover for the benefit of members in the Republic of Ireland.

Covid-19 did not have any significant impact on the charity's ability to achieve its objectives and the Trustees remain satisfied that the financial statements should be prepared on a going concern basis.

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Public Benefit

The primary public benefit that is achieved through the Trust Fund's purposes and activities is the relief of the needs of individuals that arise from ill health. The benefits are provided to a section of the public, being ordained members of the clergy of the Diocese of Derry who are members of the Trust Fund. In addition, the purposes and activities of the Trust Fund provide further wider public benefits in that they assist and accelerate the return to full active ministry of clergy of the Diocese of Derry who have been in ill health and in this way, they assist the Diocese of Derry (which is a registered charity under the title Derry Diocesan Trust) to deliver public benefits through the advancement of religion and related activities. The benefits identified above can be demonstrated and measured through the circumstances of individual priests who have been in ill health and who have received prompt and effective medical intervention and care (provided by the Trust Fund) to facilitate a return to full health in as short a timescale as possible.

Financial Review

The statement of financial activities for the year is presented on page eleven of these financial statements. During the year incoming resources included £45,584 for Health Contributions received on behalf of members and £32,217 contributions from the Derry Diocesan Society.

There was an increase in the investment fund valuation during the year, due to general market conditions, leading to an increase in reserves from the previous financial year.

No significant events have occurred since the date of the Balance Sheet which affect the organisation or which materially affect these financial statements.

Investment Objectives

The primary investment objective of the Trust Fund is to ensure that adequate financial reserves are maintained to ensure the continued operation of the Trust Fund into the medium- and long-term future. The Trust Fund seeks to produce the best financial return within an acceptable level of risk, maintaining a balance between long term capital growth and income growth. A moderate to dynamic level of risk can be taken in order to meet investment objectives.

Reserves Policy

The trustees acknowledge the need for reserve funds to ensure the financial stability and ongoing operational capacity of the charity. The trustees recognise that increased costs could arise in the event of a high number of claims from eligible members in the future. In light of this, the Trust Fund holds significant reserves to cover the following costs and financial commitments:

- the costs of providing members who seek support because of illness with health care and medical treatment paid for by the Trust Fund charity with the aim of assisting a return to full health and a return to active ministry as priests as quickly as possible.
- yearly healthcare insurance costs
- running costs of the charity for at least twelve months
- to enable all creditors to be paid in full in the event of the cessation of the company

Risks and Uncertainties

The trustees identify the following risks and uncertainties facing the charity

- Increasing costs of healthcare services for eligible members and insurance costs
- Possible increase in numbers of future claims for assistance
- Uncertainty in global investment markets
- Maintenance of good governance including measures to prevent potential fraud

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The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the exposure to major risks.

Plans for the future

One of the Trust Fund's key objectives is to maintain good governance and quality assurance.

The Trust Fund's strategic plan for the coming years is as follows:

- Keeping the investment fund under review to ensure the future needs of the charity are met
- Continued monitoring of daily management of the charity
- Continued monitoring of governance of the charity

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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements in the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Statement as to Disclosure of Information to Auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small Company Provisions

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Rev Paul McCafferty - Director

23 May 2024