

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>Income and endowments from:</b>							
Charitable Activities	2	1,189,752	1,224,328	2,414,080	1,088,929	1,315,571	2,404,500
Investments	3	2,531	77,266	79,797	2,790	72,763	75,553
Other	4	69,048	1,077,945	1,146,993	14,047	212,892	226,939
<b>Total</b>		<b>1,261,331</b>	<b>2,379,539</b>	<b>3,640,870</b>	<b>1,105,766</b>	<b>1,601,226</b>	<b>2,706,992</b>
<b>Expenditure on:</b>							
Charitable Activities	6	1,209,919	1,293,693	2,503,612	935,024	1,340,801	2,275,825
Investments		-	-	-	-	-	-
Other	11	4,452	187,424	191,876	(18,097)	175,384	157,287
<b>Total</b>		<b>1,214,371</b>	<b>1,481,117</b>	<b>2,695,488</b>	<b>916,927</b>	<b>1,516,185</b>	<b>2,433,112</b>
<b>NET (Outing)/Income</b>		<b>46,960</b>	<b>898,422</b>	<b>945,382</b>	<b>188,839</b>	<b>85,041</b>	<b>273,880</b>
Gains/(losses) on investments		3,906	78,153	82,059	(11,925)	(217,518)	(229,441)
Transfers		(143,509)	143,509	-	(51,090)	51,090	-
<b>Other movements</b>							
Transfer from reserves		-	(114,050)	(114,050)			
<b>Net Movement in Funds</b>		<b>(92,643)</b>	<b>1,006,034</b>	<b>913,391</b>	<b>125,824</b>	<b>(81,385)</b>	<b>44,439</b>
<b>Reconciliation of funds</b>							
Total Funds brought forward	21	763,570	2,944,476	3,708,046	637,746	3,025,861	3,663,607
Total Funds carried forward		670,927	3,950,510	4,621,437	763,570	2,944,476	3,708,046

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

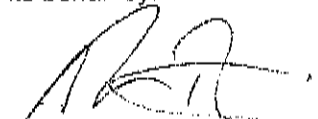
All income and expenditure derive from continuing activities

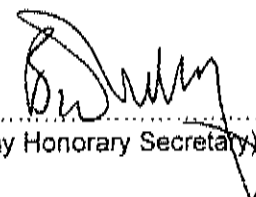
The notes on pages 15 to 33 form part of these accounts

**BALANCE SHEET**

	Notes	<u>2023</u>	<u>2022</u>
		£	£
<b>Fixed assets</b>			
Tangible assets	14	11,369	15,838
Investments	15	<u>2,677,104</u>	<u>2,448,333</u>
		2,688,473	2,464,171
<b>Current assets</b>			
Debtors	17	934,438	312,631
Cash at bank and in hand	18	<u>1,026,647</u>	<u>1,357,124</u>
		1,961,085	1,669,755
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	19	<u>(28,121)</u>	<u>(168,112)</u>
<b>Net current assets</b>		<u>1,932,964</u>	<u>1,501,643</u>
<b>Total Assets Less Current Liabilities</b>		<u>4,621,437</u>	<u>3,965,814</u>
Creditors: amounts falling due after more than one year	20	-	(257,768)
<b>Total Net Assets</b>		<u>4,621,437</u>	<u>3,708,046</u>
<b>Funds</b>			
Unrestricted funds	21	670,927	763,570
Restricted	21	<u>3,950,510</u>	<u>2,944,476</u>
<b>Total Funds</b>		<u>4,621,437</u>	<u>3,708,046</u>

These financial statements were approved and authorised for issue by the Diocesan Council on <sup>23-5-24</sup>..... and signed on its behalf by:

  
.....  
(Clerical Honorary Secretary)

  
.....  
(Lay Honorary Secretary)

The notes on pages 15 to 33 form an integral part of these financial statements.

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 December 2023**

	Notes	£	2023 £	£	2022 £
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		10,464		202,723
<b>Investing activities</b>					
Purchase of investments		(146,713)		-	
Disposal of tangible fixed assets		680		-	
Investment income received		79,797		75,553	
<b>Net cash (used in)/generated from investing activities</b>			<b>(56,772)</b>		<b>278,276</b>
<b>Financing activities</b>					
Increase/(decrease) in bank loans		(274,705)		(23,587)	
<b>Net cash used in financing activities</b>			<b>(274,705)</b>		<b>(23,587)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<b>(330,477)</b>		<b>254,689</b>
Cash and cash equivalents of beginning of year			1,357,124		1,102,435
<b>Cash and cash equivalents at end of year</b>			<b>1,026,647</b>		<b>1,357,124</b>
<b>Relating to:</b>					
Bank balances and short term deposits			1,026,647		1,357,124

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES

The principal accounting policies, judgments and key sources of estimation uncertainty are set out below.

#### (a) Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" effective January 2015 and FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland".

The Diocesan Council Members consider that these accounting policies are suitable, have been consistently applied and are supported by reasonable and prudent judgment and estimates.

The Diocese of Down and Dromore meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in accordance with the historical cost convention.

#### (b) Going concern

The Diocesan Council has reviewed the budget for the year ahead, and is satisfied that there are adequate funds in place to ensure that the Diocese can continue its activities. There are no material uncertainties about the organisation's ability to continue, and on that basis it is a going concern.

#### (c) Income Recognition

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming fully entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants, including capital grants, from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services, but included as donations where the money is given in response to an appeal or with greater freedom of use, for example, government block grants. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

#### (d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, exclusive of any VAT which can be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

#### (e) Fund Accounting

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Unrestricted funds are funds that are available for use at the trustees' discretion in furtherance of the objectives of the Diocese in accordance with the regulations that govern the Diocesan Council.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted by the funder to that area or purpose.

## NOTES TO THE ACCOUNTS (CONT'D)

### (f) Investments

All income from investments is accounted for on an accruals basis. Deposit interest receivable, expenses and interest payable are accounted for on an accruals basis. Listed investments comprise those quoted on a Stock Exchange. These investments have been valued at market value which is based on the middle market prices ruling at the close of business on 31 December 2022. Any realised profits or losses, arising on fixed asset investment sales are taken direct to the statement of financial activities. Profits or losses are calculated on the average cost basis.

### (g) Depreciation of tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Equipment, Fixtures & Fittings	25% reducing balance
Freehold Buildings	2% straight line

Buildings are not depreciated. It is the policy of the Diocese to maintain its properties in a state of good repair. The Diocesan Council's assessment of the residual value (based on values prevailing at acquisition) and useful economic life of the long leasehold property is such that the charge for depreciation would not be significant; consequently this property is not depreciated. The depreciation rate for fixtures & fitting and computer equipment was changed to reducing balance from straight line as the Council feel this is a better reflection of the value of the assets to the Diocese.

### (h) Impairment of fixed assets

At each balance sheet date, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is an indication that those assets have suffered an impairment loss. Where the carrying value exceeds the estimated recoverable amount (being the greater of fair value less costs to sell and value-in-use), an impairment loss is recognised by writing down the assets cash-generating units to their recoverable amount. An impairment loss is recognised immediately in the profit and loss. Any reversal of a previous impairment loss is similarly recognised immediately in the profit and loss.

### (i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### (j) Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

### (k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### (l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE ACCOUNTS (CONT'D)

(m) Pension costs

The Diocese contributes to the full costs of the pension schemes for staff employed by the Diocesan Council. Contributions payable are charged to the Revenue Account in the period to which they relate. These contributions are invested separately from the assets of the Diocesan Council.

2 Income from charitable activities

		2023				2022			
		Designated Funds	Unrestricted Funds	Restricted Funds	Total	Designated Funds	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£	£	£
Parochial assessments		-	851,592	-	851,592	-	834,432	-	834,432
Mission & ministry receipts		43,536	207,019	1,011,112	1,261,667	47,175	158,947	1,009,664	1,215,786
		43,536	1,058,611	1,011,112	2,113,259	47,175	993,379	1,009,664	2,050,218
Grants	5	47,170	40,435	213,216	300,821	10,000	38,375	305,907	354,282
Total		90,706	1,099,046	1,224,328	2,414,080	57,175	1,031,754	1,315,571	2,404,500

3 Income from investments

		2023				2022			
		Designated Funds	Unrestricted Funds	Restricted Funds	Total	Designated Funds	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£	£	£
Dividends		-	2,531	67,548	70,079	-	2,790	70,738	73,528
Interest receivable		-	-	9,718	9,718	-	-	2,025	2,025
		-	2,531	77,266	79,797	-	2,790	72,763	75,553

4 Other income

		2023				2022			
		Designated Funds	Unrestricted Funds	Restricted Funds	Total	Designated Funds	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£	£	£
Sundry Items		-	69,048	121,967	191,015	-	14,047	13,928	27,97
Stipends		-	-	157,281	157,281	-	-	198,964	198,96
Joint Committee		-	-	798,697	798,697	-	-	-	-
		-	69,048	1,077,945	1,146,993	-	14,047	212,892	226,93

CHURCH OF IRELAND DIOCESE OF DOWN AND DROMORE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE ACCOUNTS (CONT'D)

5 Grants received

	2023				2022			
	Designated Funds	Unrestricted Funds	Restricted Funds	Total	Designated Funds	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£	£	£
Education Authority (Kililough)	-	-	1,800	1,800	-	-	-	-
Education Authority (Moneyreagh)	-	-	-	-	-	-	-	-
Priorities' Fund (In-Service fund)	-	-	-	-	-	3,975	-	3,975
Priorities Fund (Tullycarnet Church Plant)	-	-	10,000	10,000	-	-	7,000	7,000
Priorities Fund (Lower Braniel)	-	-	3,000	3,000	-	-	7,000	7,000
Priorities Fund (Moneyreagh)	-	-	-	-	-	-	5,000	5,000
Priorities Fund (Newcastle Church Plant)	-	-	-	-	-	-	15,000	15,000
Priorities Fund (Continual Ministerial Education Grant)	-	5,200	-	5,200	-	-	-	-
Priorities Fund (Down & Dromore Youth Dept)	-	-	4,500	4,500	-	-	-	-
Priorities Fund (Outreach to Asylum Seekers)	-	-	10,000	10,000	-	-	-	-
Priorities Fund (Titanic Church Plant)	-	-	10,000	10,000	-	-	-	-
RCB - COVID Support Grant	-	-	-	-	-	-	111,740	111,740
RCB - Mind Matters - Dundrum Church Plant	-	-	-	-	-	-	470	470
RCB - Mind Matters - Down & Dromore Programme	-	-	-	-	-	800	-	800
RCB - Mind Matters - Titanic Church Plant	-	-	-	-	-	-	1,000	1,000
RCB - Mind Matters - Tullycarnet	-	-	-	-	-	-	1,200	1,200
RCB - Mind Matters - Moneyreagh	-	-	-	-	-	-	4,200	4,200
RCB - Newcastle Church Plant	-	-	8,000	8,000	-	-	-	-
COI Youth Department	-	8,735	-	8,735	-	8,500	-	8,500
COI Youth Department (Ministry Apprenticeship Scheme)	-	-	-	-	-	-	8,000	8,000
COI Youth Department (Moneyreagh)	-	-	-	-	-	-	1,000	1,000
COI OCS	-	25,000	-	25,000	-	25,100	-	25,100
COI OCS (Kililough)	-	-	-	-	-	-	8,000	8,000
COI OCS (Lower Braniel)	-	-	8,000	8,000	-	-	8,000	8,000
COI OCS (Ministry Apprenticeship Scheme)	-	-	-	-	-	-	4,000	4,000
COI OCS (D&D Sunday Schools)	-	-	-	-	-	-	20,000	20,000
COI OCS (Ards Central Church Plant)	-	-	11,000	11,000	-	-	-	-
COI OCS (D&D Praise Parties)	-	1,500	-	1,500	-	-	-	-
COI OCS (Forge Ministry)	-	-	11,000	11,000	-	-	-	-
COI OCS (Tullycarnet Church Plant)	-	-	1,000	1,000	-	-	-	-

CHURCH OF IRELAND DIOCESE OF DOWN AND DROMORE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

**NOTES TO THE ACCOUNTS (CONT'D)**

**5 Grants received (cont'd)**

	2023				2022			
	Designated Funds	Unrestricted Funds	Restricted Funds	Total	Designated Funds	Unrestricted Funds	Restricted Funds	Total
Ardbarron Trust (Down and Dromore)	£ 10,000	-	-	£ 10,000	£ 10,000	-	-	£ 10,000
Ardbarron Trust (Killogh)	-	-	3,000	3,000	-	-	-	-
Ardbarron Trust (Moneyreagh)	-	-	-	-	-	-	16,000	16,000
Anon Trust (General Church Plant)	17,000	-	-	17,000	-	-	-	-
Anon Trust (Moneyreagh)	-	-	-	-	-	-	-	-
Anon Trust (Restricted General Church Plant 2024)	-	-	17,000	17,000	-	-	12,000	12,000
Anon Trust (Restricted General Church Plant 2025)	-	-	16,000	16,000	-	-	-	-
TBF & KL Thompson Trust (Church Plant Work in Tullycarnet)	-	-	-	-	-	-	-	-
TBF & KL Thompson Trust (Ministry Apprenticeship Scheme)	-	-	-	-	-	-	2,500	2,500
TBF & KL Thompson Trust (Outreach to Refugees & Asylum Seekers)	-	-	2,668	2,668	-	-	-	-
TBF & KL Thompson Trust (Outreach to Refugees & Asylum Seekers)	-	-	4,000	4,000	-	-	-	-
TBF & KL Thompson Trust (Outreach to Refugees & Asylum Seekers)	6,000	-	-	6,000	-	-	-	-
TBF & KL Thompson Trust (St Johns Lurgan)	-	-	1,000	1,000	-	-	450	450
Black Santa (Dundrum)	-	-	-	-	-	-	600	600
Black Santa (Killogh)	-	-	-	-	-	-	-	-
Black Santa (Killogh)	-	-	1,000	1,000	-	-	-	-
Black Santa (Lower Braniel)	-	-	1,000	1,000	-	-	-	-
Black Santa (Titanic Quarter)	-	-	850	850	-	-	-	-
Black Santa (Tullycarnet)	-	-	1,000	1,000	-	-	450	450
House of Vic Ryn (Dundrum)	-	-	3,334	3,334	-	-	2,500	2,500
House of Vic Ryn (General)	14,170	-	-	14,170	-	-	-	-
House of Vic Ryn (Killogh)	-	-	-	-	-	-	-	-
House of Vic Ryn (Lower Braniel)	-	-	2,500	2,500	-	-	2,500	2,500
House of Vic Ryn (Ministry Apprenticeship Scheme)	-	-	-	-	-	-	2,500	2,500
House of Vic Ryn (Titanic Quarter)	-	-	-	-	-	-	2,500	2,500
House of Vic Ryn (Tullycarnet)	-	-	-	-	-	-	2,500	2,500
House of Vic Ryn (Westwinds)	-	-	-	-	-	-	2,500	2,500
Joseph Rank Trust (Titanic Quarter)	-	-	10,000	10,000	-	-	10,000	10,000
World Charitable Foundation of Ireland (Ministry Apprenticeship Scheme)	-	-	-	-	-	-	8,349	8,349
World Charitable Foundation of Ireland (Diocesan Outreach to Asylum Seekers and Refugees)	-	-	4,180	4,180	-	-	-	-
Benefact Trust (Diocesan Outreach to Asylum Seekers and Refugees)	-	-	20,000	20,000	-	-	7,000	7,000

CHURCH OF IRELAND DIOCESE OF DOWN AND DROMORE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023				2022				Total
	Designated	Unrestricted	Restricted	Total	Designated	Unrestricted	Restricted	Total	
	Funds	Funds	Funds	£	Funds	Funds	Funds	£	
<b>5 Grants received (cont'd)</b>									
Donibrisle (Grant for Church Plant Refugees)	-	-	-	-	-	-	-	-	£ 250
Victoria Homes Trust (Lower Braniel)	-	-	2,500	2,500	-	-	-	-	250
Victoria Homes Trust (Killough)	-	-	-	-	-	-	-	-	-
Victoria Homes Trust (Tullycarnet)	-	-	1,000	1,000	-	-	-	-	2,500
James Brown & Sons Community Fund (Community Engagement & Outreach Programme)	-	-	500	500	-	-	-	-	1,000
Mustard Seed Foundation (Youth Programme)	-	-	1,710	1,710	-	-	-	-	3,898
D & Dromore Mothers Union (Killough)	-	-	150	150	-	-	-	-	-
D & Dromore Mothers Union (Lower Braniel)	-	-	150	150	-	-	-	-	-
D & Dromore Mothers Union (The Glen Church Plant)	-	-	150	150	-	-	-	-	-
D & Dromore Mothers Union (Titanic Quarter)	-	-	250	250	-	-	-	-	-
D & Dromore Mothers Union (Tullycarnet)	-	-	150	150	-	-	-	-	-
D & Dromore Mothers Union (Westwinds)	-	-	150	150	-	-	-	-	-
David Paul Cross Foundation (Titanic Quarter)	-	-	10,000	10,000	-	-	-	-	-
Stansfield Trust (Ards Central)	-	-	7,500	7,500	-	-	-	-	-
Stansfield Trust (Suitcase Project)	-	-	5,000	5,000	-	-	-	-	-
W Watson Trust (Castlewellan and Kilcoo)	-	-	18,175	18,175	-	-	-	-	-
	47,170	40,435	213,217	300,822	10,000	38,375	305,907	354,282	

NOTES TO THE ACCOUNTS (CONT'D)

6 Breakdown of expenditure on charitable activities

	Notes	2023 £	2022 £
Grants & Ministry Support	7,8	264,655	294,019
Priorities' fund		70,785	62,920
Central Church Assessments		180,612	170,304
Clergy Pension		802,195	742,121
Project Delivery	9	708,310	684,436
Support Costs	10	477,055	322,025
		<u>2,503,612</u>	<u>2,275,825</u>

7 Grants and support for ministry

	2023				2022			
	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Total £	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Total £
<b><u>Grants in Support of Parishes</u></b>								
Down Cathedral (general support)	-	20,000	-	20,000	-	20,000	-	20,000
Bangor Primacy	-	-	3,500	3,500	-	-	3,500	3,500
Belfast: St Brendan's	-	-	10,000	10,000	-	-	5,000	5,000
West Winds Newtownards	20,000	-	-	20,000	17,500	-	2,500	20,000
Parish Support Fund: Annaclone	-	-	2,500	2,500	-	-	-	-
Parish Support Fund: Magherally	-	-	2,500	2,500	-	-	-	-
Various Parishes - COI	-	-	-	-	-	-	16,000	16,000
Orphans Sunday School Grant	-	-	-	-	-	-	-	-
Newcastle – Families Work Support	-	-	38,000	38,000	-	-	-	-
Diocesan Rejuvenation Fund - St Brendan's	-	-	-	-	-	-	5,000	5,000
Diocesan Rejuvenation Fund - Gilnahirk	-	-	5,000	5,000	-	-	5,000	5,000
Diocesan Rejuvenation Fund - Castlewethan	-	-	2,500	2,500	-	-	2,500	2,500
Diocesan Rejuvenation Fund - Kilcoo	-	-	2,500	2,500	-	-	2,500	2,500
Diocesan Rejuvenation Fund - St John's Lurgan	-	-	11,000	11,000	-	-	5,000	5,000
	20,000	20,000	77,500	117,500	17,500	20,000	47,000	84,500
<b><u>Grants for Diocesan &amp; related activities</u></b>								
The HUB Belfast	-	3,000	-	3,000	-	3,000	-	3,000
Church Plant Fund	-	6,002	-	6,002	-	6,750	-	6,750
Ministry Apprentice Scheme	-	5,000	-	5,000	-	5,000	-	5,000
Rejuvenation Fund	-	18,004	-	18,004	-	13,500	-	13,500
Lambeth Resolution Grant	-	10,760	-	10,760	-	9,248	-	9,248
	-	42,766	-	42,766	-	37,498	-	37,498
<b><u>RCB COVID Support to Parishes</u></b>								
COVID Grants	-	-	-	-	-	-	111,740	111,740
	-	-	-	-	-	-	111,740	111,740
	20,000	62,766	77,500	160,266	17,500	57,498	158,740	233,738

NOTES TO THE ACCOUNTS (CONT'D)

8 Ministry Support

	2023				2022			
	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Total £	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Total £
<b><u>Clergy Support &amp; Training</u></b>								
Curates' Children's Allowances	-	-	2,048	2,048	-	-	1,373	1,373
Pastoral Support	-	5,202	650	5,852	-	5,202	590	5,792
Clergy Conference	-	37,337	14,000	51,337	-	5,714	3,827	9,541
Sabbaticals	-	3,000	-	3,000	-	1,500	2,916	4,416
	-	45,539	16,698	62,237	-	12,416	8,708	21,122
<b><u>Training &amp; Professional Development</u></b>								
Book Vouchers	-	-	2,626	2,626	-	-	2,475	2,475
Lay Ministry Education	-	5,763	-	5,763	-	5,346	-	5,346
Foundation Year grants	-	-	2,752	2,752	-	-	1,743	1,743
Diocesan Evangelists	-	766	-	766	-	2,176	198	2,374
Education courses	-	2,369	-	2,369	-	1,196	-	1,196
Continual Ministerial Education	-	8,880	-	8,880	-	8,635	-	8,635
Ordained Local Ministry	-	923	-	923	-	1,295	-	1,295
Bible courses & training	-	987	14,378	15,365	-	1,638	13,382	15,020
Other	-	2,709	-	2,709	-	1,075	-	1,075
	-	22,397	19,755	42,152	-	21,361	17,798	39,159
<b>Total</b>	-	67,936	36,453	104,389	-	33,777	26,504	60,281

9 Project Delivery

	2023 £	2022 £
Bishops Ministry Fund Expenditure	37,743	24,248
Church Plant Expenditure	326,330	373,522
Communications	33,822	34,920
Council for Mission	200	-
Cover Duty	65,748	22,965
Diocesan In-Service Fund	505	-
Prison Chaplaincy	17,539	12,035
Scheme Income payments	17,723	17,211
St Brendans & St Clements	30,851	36,674
Youth & Children	177,849	162,861
	708,310	684,436

**NOTES TO THE ACCOUNTS (CONT'D)**

**10 Support Cost Breakdown**

	Total Costs 2023	Total Costs 2022
	£	£
Down and Dromore and Connor Joint Committee Costs	60,705	60,791
Net movement in Joint Committee during the year	-	(34,761)
Diocesan functionaries' expenses	21,318	15,946
Staff salaries	207,679	160,388
Staff secondment, paid to parish	6,780	6,220
Diocesan Surveyor	40,988	19,009
House costs	2,250	2,250
Diocesan Synod Costs	6,025	6,106
Audit and accountancy fees	8,640	8,580
Legal Expenses	65,683	33,269
Professional services	5,304	3,366
Removal grant	22,289	13,863
Bank fees	633	616
Insurance	2,563	2,030
Depreciation	3,790	5,279
IT & Photocopying	7,088	5,347
Contact management system	6,499	8,113
Sundry	8,821	5,613
	<b>477,055</b>	<b>322,025</b>

**11 Other expenditure**

	2023	2022
	£	£
Provision for bad debts	16,116	(59,683)
Stipends	169,040	209,589
Legal defence insurance	6,720	7,381
Diocesan Cathedrals	-	-
	<b>191,876</b>	<b>157,287</b>

**12 Net movement in funds**

	2023	2022
	£	£
Net movement in funds is stated after charging:		
Auditors remuneration	4,800	4,800
Depreciation	<b>3,790</b>	<b>5,279</b>

NOTES TO THE ACCOUNTS (CONT'D)

13 Staff costs

	2023	2022
	£	£
<b>Joint Committee staff:</b>		
Wages and salaries	-	86,556
Employer's NIC	-	8,497
Pension Costs	-	6,293
	-	101,346
 <b>Down and Dromore staff:</b>		
Wages and salaries	315,281	161,371
Employer's NIC	26,491	13,562
Pension Costs	23,982	12,535
	365,754	187,468
 <b>Church Plant and Parish Worker staff:</b>		
Wages and salaries	186,162	204,262
Employer's NIC	15,750	15,626
Pension Costs	13,557	16,269
	215,469	236,157
 <b>Other:</b>		
Wages and salaries	46,450	10,532
Employer's NIC	1,073	306
Pension Costs	-	-
	47,523	10,838
 <b>Total staff costs:</b>		
Wages and salaries	547,893	462,721
Employer's NIC	43,314	37,991
Pension Costs	37,539	35,097
	628,746	535,809

No employee received emoluments of more than £60,000 (2022: None)

Key Management Personnel

The total amount of employee benefits received by key management personnel in the period was £102,923 (2022: £91,353). The Council considers its key management personnel comprises of the Diocesan Secretary and Diocesan Development Officer.

Trustee remuneration and expenses

The Diocese of Down and Dromore paid allowances, gifts and expenses to Diocesan Council Members amounting to £16,904 (2022: £8,545). No charity Trustee received payment for professional or other services supplied to the charity (2022: £nil).

The average number of persons paid by the organisation during the year was:

	2023	2022
Joint Committee staff	-	4
Down and Dromore staff	11	5
Church Plant staff	9	8
Prison Chaplain	1	1
Parish worker	-	1
	21	19
<b>Total</b>		

The Diocese also facilitated the payment of nine Church Plant workers and Prison Chaplains, the total salary costs of these workers totalled £229,311 (2022: 246,994) The Diocese is reimbursed by the relevant Church Plant/parish and Northern Ireland Prison Service for the salary costs incurred.

**NOTES TO THE ACCOUNTS (CONT'D)**

**14 Tangible fixed assets**

**Equipment,  
Fixtures &  
Fittings  
£**

**Cost or valuation:**

At 1 January 2023	36,005
Additions	-
Disposals	(2,149)
At 31 December 2023	33,856

**Depreciation:**

At 1 January 2023	20,167
Charge for year	3,790
Eliminated on disposal	(1,470)
At 31 December 2023	22,487

**Net book value:**

At 31 December 2023	11,369
At 31 December 2022	15,838

No assets were held under finance leases or hire purchase contracts

**15 Investments**

	Listed Investments £	Property Investments £	Total Investments £
Market Value at 1 January 2023	2,225,483	222,850	2,448,333
Additions at Cost	96,712	50,000	146,712
Disposals	-	-	-
Revaluation	-	-	-
Realised/unrealised gains/(losses)	82,059	-	82,059
	2,404,254	272,850	2,677,104
Market Value at 31 December 2023	2,404,254	272,850	2,677,104
Cost of Investments	1,104,601	272,850	1,377,451

CHURCH OF IRELAND DIOCESE OF DOWN AND DROMORE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE ACCOUNTS (CONT'D)

15 Investments (cont'd)

Managing Funds	Trust Details	Investments Held by RCB	Investments Held by CIT	Land & Buildings	Total Capital 2023	Total Capital 2022
Diocesan Young Adults Fund	Sundry	-	35,337	-	35,337	33,772
Belfast Additional Clergy Fund	Sundry	50,252	70,440	-	120,692	116,109
Belfast Additional Clergy Fund	JH Smythe Bequest	4,073	-	-	4,073	3,954
Belfast Additional Clergy Fund	JA Stewart Bequest	9,216	-	-	9,216	8,947
Church Extension Fund	Sundry	-	185,976	-	185,976	177,740
Development Fund	Sundry	-	49,043	172,850	221,893	219,721
Endowment Fund	Sundry	41,988	105,522	-	147,510	141,613
Endowment Fund	Capital Fund	-	820	-	820	785
Endowment Fund	Permanent Fund	-	75,483	-	75,483	72,140
Expenses Fund	Sundry	-	37,385	-	37,385	35,730
Ordination Bursary Fund	Sundry	-	1,766	-	1,766	1,688
Parish Support Fund	Sundry	25,859	134,576	-	160,435	153,721
Parish Support Fund	Clerical Income Augmentation Fund	2,884	1,088	-	3,972	3,840
Stipend Fund	Sundry	828,968	80	-	829,048	894,884
Superannuation Fund	Sundry	53,453	100,840	-	154,293	146,270
Superannuation Fund	Ewart No 1	227,080	-	-	227,080	125,798
Superannuation Fund	Ewart No 2	233,393	-	100,000	333,393	276,591
Bishops Ministry	Widows of Clergy	-	14,644	-	14,644	13,995
Bishops Ministry	Chichester Bequest	-	114,088	-	114,088	109,035
		1,477,166	927,088	272,850	2,677,104	2,448,333
		513,223	591,378	272,850	1,377,451	1,353,541

Historical Cost at 31 December 2023

Land and Buildings – The Diocese of Down and Dromore has a 47% (£72,820) equity interest in the property held at 23 Mandeville Manor, Craigavon. The Title Deeds of such are held by the Representative Church Body. The property is held at market value following a valuation that carried out in June 2019 by Gareth McQuitty of Michael Hannath Ltd, 8 Bridge Street, Portadown BT62 1JD.

The Diocese of Down and Dromore has a 21.28% (£50,000) equity interest in the property held at 91 Richmond Drive, Tandragee. The title deeds of such are held by the Representative Church Body. The property is held at cost value. The Diocese of Down and Dromore has a 34.19% (£100,000) equity interest in the property held at 21 Laurel Bank Manor, Moneyreagh. The title deeds are also held by the Representative Church Body.

The investments held by the Representative Church Body and the Church of Ireland Trustees are either listed on a recognised Stock Exchange or invested in unit trusts which are themselves so invested. The market value is the quoted mid-price on the 31 December 2023. All CIT investments were folded into the new CIT Unit Trust on the 1st July 2011, the book cost for all holdings was uplifted to market value at that date.

The Diocese of Down and Dromore has a 18.12% (£50,000) equity interest in the property held at 145 Ballantine Gardens, Lisburn. The title deeds of such are held by the Representative Church Body.

**NOTES TO THE ACCOUNTS (CONT'D)**

**16 Joint Committee with Connor Diocese**

JOINT INCOME & EXPENDITURE ACCOUNT	2023	2022
	£	£
<b>INCOMING RESOURCES</b>		
Rents and Contributions	154,751	187,339
Deposit interest receivable	8,479	-
Investment Income/Bank Interest	154,663	-
Other Income	6,442	-
	324,335	187,339
<b>RESOURCES EXPENDED</b>		
Wages & Salaries	40,004	34,567
Office & Building Maintenance	32,628	19,212
House Running Costs	142,730	63,481
Depreciation	5,009	5,646
	220,371	122,906
 Net movement in funds	 103,964	 64,433
 <b>NET INCOMING RESOURCES</b>		
Share of net incoming resources due to Dioceses of Down and Dromore	51,982	32,217
Share of net incoming resources due to Diocese of Connor	51,982	32,217
 Balance at 1 January 2023	 269,618	 205,186
Balance at 31 December 2023	373,582	269,618
 <b>BALANCE SHEET AT 31 DECEMBER 2023</b>		
<b>FIXED ASSETS</b>		
Tangible Assets:		
Share owned by Diocese of Connor	12,112	758,843
Share owned by Diocese of Down and Dromore	12,112	758,843
 <b>NET CURRENT LIABILITIES</b>		
Share owned by Diocese of Connor	887,651	88,954
Share owned by Diocese of Down and Dromore	887,652	88,954
	1,799,527	1,695,594
 <b>RESERVES</b>		
Diocese of Connor	899,763	847,797
Diocese of Down and Dromore	899,764	847,797
	1,799,527	1,695,594

These figures do not form part of the Diocese of Down and Dromore accounts and are only shown here as the Diocese of Down and Dromore have a 50% share in the Diocese of Down and Dromore & Connor Joint Committee.

**NOTES TO THE ACCOUNTS (CONT'D)**

**17 Debtors**

	2023	2022
	£	£
Debtors	98,825	95,581
Provision for doubtful debts	(68,415)	(56,954)
Joint Committee	887,652	88,954
Representative Church Body	-	174,160
Prepayments	16,376	10,890
	934,438	312,631

In 2022 the balance of £174,160 with the Representative Church Body was in relation to the purchase of property for the Moneyreagh Church Plant. The property is registered in the name of the Diocese of Down and Dromore. In 2023, Magheralin Parish Church provided a loan to Moneyreagh Church Plant to clear the debt with the Representative Church Body. In the event Moneyreagh Church Plant does not comply with the repayment terms of the loan, the Diocese of Down and Dromore will be liable to make payments.

**18 Cash & Bank**

	2023	2022
	£	£
Funds held at:		
Representative Church Body	302,840	416,844
Nationwide Building Society	17,770	17,476
Banks	706,037	922,804
	1,026,647	1,357,124

**19 Creditor: amounts falling due within one year**

	2023	2022
	£	£
Accruals	28,121	22,411
Loan from RCB	-	128,763
Bank loans and overdrafts held at:		
Danske Bank	-	16,392
RCB	-	546
	28,121	168,112

**20 Creditor: amounts falling due more than one year**

	2023	2022
	£	£
Bank loans – Danske Bank	-	157,768
Representative Church Body	-	100,000
	-	257,768

The Representative Church Body grant was made towards the initial acquisition and development costs of Church of Ireland House. This grant was repaid pro rata to initial acquisition and development costs during the year.

CHURCH OF IRELAND DIOCESE OF DOWN AND DROMORE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE ACCOUNTS (CONT'D)

21 Funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/(losses) in Investments £	Transfers & Allocations £	Balance at 31 December 2023 £	Balance relating to Investments £	Balance excluding investments £
<b>DESIGNATED FUNDS</b>								
General Church Plant	81,912	90,706	(24,250)	-	(69,400)	78,968	-	78,968
<b>Total</b>	<b>81,912</b>	<b>90,706</b>	<b>(24,250)</b>	<b>-</b>	<b>(69,400)</b>	<b>78,968</b>	<b>-</b>	<b>78,968</b>
<b>UNRESTRICTED FUNDS</b>								
Expenses	35,729	197,567	(542,052)	1,656	344,485	37,385	37,385	-
Development	119,721	21,302	(355,545)	2,172	434,244	221,894	221,894	-
Ministry	-	215	(6,026)	-	7,811	-	-	-
General	563,140	851,592	(4,452)	-	(1,080,211)	330,069	-	330,069
Development Office, Youth & Children	-	66,836	(181,792)	-	114,956	-	-	-
Diocese In-Service	-	32,993	(53,472)	-	20,479	-	-	-
Diocesan Communication	-	-	(33,822)	-	33,822	-	-	-
Council for Mission	-	120	(10,960)	-	10,840	-	-	-
Ordination	2,533	-	-	78	-	2,611	1,767	844
COI House	(39,465)	-	-	-	39,465	-	-	-
<b>Total</b>	<b>681,658</b>	<b>1,170,625</b>	<b>(1,190,121)</b>	<b>3,906</b>	<b>(74,109)</b>	<b>591,959</b>	<b>261,046</b>	<b>330,913</b>

CHURCH OF IRELAND DIOCESE OF DOWN AND DROMORE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE ACCOUNTS  
(CONT'D)

	Balance at 1 January 2023		Income	Expenditure	Gains/(losses) in investments		Transfers & Allocations	Other movements	Balance at 31 December 2023		Balance relating to investments	Balance excluding investments
	£	£			£	£			£	£		
<b>RESTRICTED FUNDS</b>												
COI House	(60,535)	-	-	-	-	-	60,535	-	-	-	-	-
COI House – Joint Committee			898,697				(11,045)			887,652		887,652
Church Extension	212,533	-	5,446	-	8,236	-	-	-	226,215	185,976	-	40,239
Young Adults	34,913	-	5,535	-	1,565	-	-	-	42,013	35,337	-	6,676
Belfast Additional Clergy	149,292	-	4,443	(10,000)	4,971	-	-	-	148,706	133,980	-	14,726
Endowment	341,931	-	10,305	-	9,276	-	-	-	361,512	223,814	-	137,698
Superannuation	764,192	-	20,752	-	17,395	-	-	-	802,339	714,766	-	87,573
Panish Support	204,774	-	6,147	(5,000)	6,846	-	-	-	212,767	164,408	-	48,359
Bishops Ministry	162,611	-	20,062	(72,148)	5,701	-	24,252	-	140,478	128,731	-	11,747
Stipend	842,450	-	1,000,635	(1,009,389)	24,163	-	-	-	857,859	829,046	-	28,813
Social Services	3,005	-	-	-	-	-	-	-	3,005	-	-	3,005
Commissioned Workers	7,398	-	7,459	(3,500)	-	-	-	-	11,357	-	-	11,357
Diocesan Cathedrals	17,450	-	293	-	-	-	-	-	17,743	-	-	17,743
General Church Plant	36,617	-	41,300	(36,300)	-	-	-	-	39,617	-	-	39,617
Dundrum Church Plant	35,605	-	65,808	(51,942)	-	-	-	-	49,471	-	-	49,471
Lower Braniel Church Plant	4,727	-	46,052	(65,582)	-	-	25,000	-	10,197	-	-	10,197
Moneyreagh Church Plant	114,050	-	-	-	-	-	-	(114,050)	-	-	-	-
Killough Church Plant	317	-	5,950	(16,386)	-	-	11,000	-	881	-	-	881
Titanic Church Plant	-	-	68,678	(79,086)	-	-	11,000	-	592	-	-	592
Tullycarnet Church Plant	8,568	-	23,399	(54,734)	-	-	22,767	-	-	-	-	-
Rejuvenation	1,808	-	32,141	(21,000)	-	-	-	-	12,949	-	-	12,949
Outreach Asylum Seekers & Refugees	11,360	-	37,167	(14,708)	-	-	-	-	33,819	-	-	33,819
Forge	51,410	-	36,000	(18,453)	-	-	-	-	68,957	-	-	68,957
Castlewellan & Kilcoo	-	-	18,175	(6,058)	-	-	-	-	12,117	-	-	12,117
Ard Central	-	-	25,095	(14,831)	-	-	-	-	10,264	-	-	10,264
<b>Total</b>	<b>2,944,476</b>	<b>2,379,539</b>	<b>(1,481,117)</b>	<b>78,153</b>	<b>143,509</b>	<b>(114,950)</b>	<b>3,950,510</b>	<b>2,416,958</b>	<b>1,534,452</b>			

See note 21 for details on the split between cash and investment balances.

With there being no restrictions on the General Fund, transfers have been made from this fund to cover the year-end deficits in a number of unrestricted funds.

## NOTES TO THE ACCOUNTS (CONT'D)

### Designated Funds

The details of the main elements that make up the various **Designated Funds** are as follows:  
**General Church Plant Fund** – Support of the overall Church Plant work.

### Unrestricted Funds

The details of the main elements that make up the various **Unrestricted Funds** are as follows:

**Expenses Fund** – The General Diocesan Office, Clergy Cover Duty, Prison Chaplaincy, Registry Fees, & St Brendan's and St Clement's Ministry cover.

**Development Fund** – Central Church Assessments, including Priorities Fund, grants in support of church development & Bishop's Office.

**Ministry Fund** – Pastoral Care, counselling & general support for those in Ministry

**General Fund** – Parish Assessments

**Development Office, Youth & Children's Work** – All activities relating to general Diocesan Development work, Youth & Children's support, including Camps, Confirmation W/End, Summer Madness, Youth Leadership & Mission Trips.

**Companion Link** – Support of link Diocese

**Diocesan in Service Fund** – Support of Clergy & those in Ministry - Continual Ministerial Education, Diocesan Readers, Bishop's Bible Course, Ordination retreats & Clergy Conference.

**Diocesan Communication** – The work of the Diocesan Communications Officer

**Council for Mission** – The work of the Council for Mission

**Diocesan Ordination Fund** – Support of Ordinands

**COI House Fund** – The development of Church of Ireland House, Belfast

### Restricted Funds

The details of the main elements that make up the various **Restricted Funds** are as follows:

**COI House Fund** – The development of Church of Ireland House, Belfast

**COI House Joint Committee** – Shares owned by Diocese of Down & Dromore

**Church Extension Fund** – Support for Church extension work.

**Young Adults Fund** – To support young adults work within the Diocese

**Belfast Additional Clergy** – Support for Additional Clergy in the Greater Belfast Area

**Endowment Fund** – General support of the Diocese in line with original trust deeds

**Superannuation Fund** – For the support of Clergy Pensions within the Diocese in line with original trust deeds

**Parish Support Fund** – Support of Poor Parishes as the Council may decide

**Bishop's Ministry Fund** – Support of the Bible Week, Confirmations, Ordinations, St Patrick's Day celebrations and Clergy Conference.

**Stipend Fund** – Clergy Pensions, Stipends & child allowances to curates

**Social Services Fund** – Support of Social programmes within the Diocese

**Commissioned Workers Fund** – For the support of women in 'Commissioned posts' within the Diocese.

**Diocesan Cathedrals Fund** – Support of Down Cathedral and Dromore Cathedral

**Dundrum Church Plant Fund** – Support for the Church Plant work in Dundrum

**Lower Braniel Church Plant Fund** – Support for the Lower Braniel Church Plant

**Moneyreagh Church Plant Fund** - Support for the Moneyreagh Church Plant

**Killough Church Plant Fund** – Support of the Church Plant work in Killough

**Titanic Church Plant Fund** – Support for the work in Titanic Church

**Tullycarnet Church Plant Fund** – Support of the Church Plant work in Tullycarnet

**General Church Plant Fund** – Restricted Church Plant support

**Rejuvenation Fund** - For the support of churches committed to revitalisation of their ministries & outreach

**Outreach to Asylum Seekers & Refugees** – Support of the outreach to Asylum Seekers & Refugees

**Forge** – Support for the Diocesan Ministry Apprenticeship Scheme

**Castlewellan & Kilcoo** – Support for the Castlewellan & Kilcoo Church Plant

**Ards Central** – Support for the Ards Central Church Plant

## NOTES TO THE ACCOUNTS (CONT'D)

### 21 Funds (cont'd)

	Designated Funds £	Unrestricted Funds £	Restricted Funds £	Total £
Net incoming / (outgoing) resources	66,456	(19,496)	898,422	945,382
Transfers	(69,400)	(74,109)	143,509	-
Increase in market value of investments	-	3,906	78,153	82,059
Transfer from reserves	-	-	(114,050)	(114,050)
	(2,944)	(89,699)	1,006,034	913,391
At 1 January 2023	81,912	681,658	2,944,476	3,708,046
At 31 December 2023	78,968	591,959	3,950,510	4,621,437

### 22 Analysis of net assets between funds

	Fixed Assets £	Investment Assets £	Current Assets £	Long Term Liabilities £	Total £
Designated funds	-	-	78,968	-	78,968
Unrestricted funds	11,369	261,046	319,544	-	591,959
Restricted funds	-	2,416,058	1,534,452	-	3,950,510
	11,369	2,677,104	1,932,964	-	4,621,437

### 23 Pension costs

#### Defined contribution scheme

The Diocesan Council operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the organisation in an independently administered fund. The pension cost and charge represent contributions payable by the Council to the fund and amounted to £28,675 (2022: £26,409).

The Down and Dromore & Connor Joint Committee operates a defined contribution scheme and a separate targeted group personal pension scheme. The scheme does not guarantee the level of benefits achieved by members. The assets of the scheme are held separately from those of the Joint Committee in an independently administered fund. The pension costs charge represents contribution payable by the Joint Committee to the fund and the costs of death in service benefits for employees and mounted £8,864 (2022: £8,688)

## NOTES TO THE ACCOUNTS (CONT'D)

### 24 Reconciliation of Operating Surplus to Net Cashflow from operating Activities

	2023	2022
	£	£
Net incoming resources for the year	913,390	44,439
Depreciation	3,790	5,279
(Decrease)/increase in creditors	(123,055)	(12,635)
Decrease/(increase) in debtors	(621,805)	11,752
Investment income receivable	(79,797)	(75,553)
Gains on investments	(82,059)	229,441
	10,464	(202,723)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>10,464</b>	<b>(202,723)</b>

### 25 Related Party Transactions

During the year ended 31 December 2023, The Diocese of Down and Dromore paid allowances, gifts and expenses to Diocesan Council Members amounting to £16,904 (2022: £8,545).

The parishes of St Donard's and Seapatrck each received £2,542, and the parishes of Ballybeen and Shankill each received £847 to reflect the work carried out on Diocesan business by the Archdeacon of Down and the Archdeacon of Dromore.

The Diocese of Down & Dromore is one of eleven Diocese's that make up the Church of Ireland. The Diocese of Down & Dromore interacts and works with several connected organisations within the Church of Ireland, these being the Diocese of Down & Dromore & Connor Joint Committee, the Representative Church Body, the Church of Ireland Trustees, the Church of Ireland Orphans & Children's Society for the Counties of Antrim & Down, and the Church of Ireland Priorities Fund. The Diocese of Down & Dromore is connected with the above bodies by virtue of a number of Diocesan Council members being representatives on the decision-making bodies of these organisations. During the year transactions with these bodies amounted to income of £201,651 (2022: £267,227) and expenditure of £1,339,517 (2022: £1,296,882). During the year, COI House was sold by the Down & Dromore & Connor Joint Committee, the funds of which continue to be held by the Joint Committee.

The Diocese of Down and Dromore has a 50% stake in the Joint Committee.

### 26 Contingent Liabilities

A contingent liability exists where the Diocese has to pay the Stipend payments to the RCB for Parishes when they are unable to cover the costs of their Incumbent's Stipend. This is monitored by the Council on a regular basis. A contingent liability exists due to an ongoing legal case against the Dioceses of Down & Dromore concerning historic abuse allegations. The RCB confirmed that it is committed to assisting the diocese financially in relation to the matter. Discussions are ongoing between the Diocese and the RCB as to how this funding might be dealt with on a longer-term basis.