Roman Catholic Diocese and Parishes of Clogher

Annual Financial Report

Financial Year Ended 31 December 2023

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TRUSTEES AND OTHER INFORMATION

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Morgan McManus Solicitors
The Diamond
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Diocesan Bankers
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TRUSTEES' REPORT

BACKGROUND

A diocese is composed of distinct parts known as parishes being communities of the Christian faithful established and entrusted to a pastor under the authority of the diocesan bishop.

The Roman Catholic Diocese of Clogher is located in the north of Ireland. Its territory includes all of the County of Monaghan and parts of Counties Fermanagh, Tyrone, Donegal, Louth and Cavan. The Diocese is almost evenly divided by the border between Northern Ireland and the Republic of Ireland. The seat of administration of the Diocese is in Monaghan. Address: Diocesan Office, Bishop's House, Monaghan, Co. Monaghan.

The Diocese is made up of 37 parishes - 20 in the Republic of Ireland, 15 in Northern Ireland and 2 which are divided by the border.

STRUCTURE

The Trust Deed of the Roman Catholic Diocese and Parishes of Clogher comprises three elements – (1) the Diocesan Trust, (2) the Parish Trusts and (3) the Diocesan Companies (currently St Macartan's Diocesan Trust and St Michael's Diocesan Trust). These are bare trusts by which the property of the Diocese and the Parishes is held.

The Diocesan Curia is the central administrative body of the Diocese, which supports the Objects and Activities as outlined below.

The Diocese of Clogher accounts for 2023 provide an overview of the funds held by the Diocese of Clogher and the use of these funds in 2023. These are curial and parish accounts and includes the financial activities and balance sheet of the curia and parishes of the Diocese.

CHARITABLE OBJECTIVES AND ACTIVITIES

The Charitable Objects of the Diocesan Trust are the advancement of the Roman Catholic religion in the Diocese and the advancement of charitable purposes congruent with the advancement of religion and which are supported by the Church throughout the world or in any part of the world.

In furtherance exclusively of the foregoing Charitable Objects, the Diocesan Trust shall have the following subsidiary objects:

a) to promote the advancement of religion by enabling the Bishop to fulfil his Canon Law responsibilities in relation to the advancement or maintenance of the Roman Catholic Religion in any way which he considers appropriate including but not limited to:

   1. advancement of religion;
   2. advancement of education;
   3. provision of Priests and other clergy;
   4. promotion of Catholic ethos in all walks of life;
   5. relief of poverty; and
   6. provision of physical infrastructure including but not limited to churches, parish centres, schools, hospitals, hostels for the homeless, places of accommodation, cemeteries and office premises whether directly or through any other charitable body or company and to encourage, promote, set up and support activities, buildings, institutions and services of a pastoral kind and nature in the Diocese including but not limited to the following services:

TRUSTEES' REPORT - continued

CHARITABLE OBJECTIVES AND ACTIVITIES – continued

a. the development and renewal of any parish or parishes;
b. marriage counselling and tribunal services;
c. vocations for the priesthood and religious life (for example by providing financial assistance for seminaries, seminarians, deacons, religious institutes and religious);
d. faith development;
e. communications;
f. services to the travelling people;
g. assistance to emigrants and immigrants;
h. religious education;
i. diocesan committees, commissions and councils;
j. chaplaincies;
k. the provision of safeguarding services and training;
l. the provision of training of pastoral workers and volunteers;
m. supporting the work of the Irish Catholic Bishops' Conference (also known as the Irish Episcopal Conference); and
n. supporting the work of Trócaire.

in each case in accordance with Canon Law.

The Charitable Objects of a Parish Trust are the advancement of the Roman Catholic religion within the jurisdiction of each Parish in the Diocese; and the advancement of charitable purposes congruent with the advancement of religion and which are supported by the Church throughout the world or in any part of the world.

ACTIVITIES

The activities of the Trust at Parish and Diocesan level are centred on the promotion of the Catholic faith and its teaching, encompassing the pastoral ministry of the clergy of the Diocese to the people in their parishes through the provision for public worship and the celebration of the sacraments. Important elements of this are the regular celebration of the Eucharist and the care of the sick as well as celebration of the rites of Baptism, Confirmation, Marriage, and Funerals. This work is supported by many lay people who undertake ministerial and administrative roles, mostly on a voluntary basis.

At a Diocesan level, much of this work is supported by Diocesan bodies such as the Council of Priests, the Chapter of Canons and the Diocesan Finance Committee. Pastoral support is also provided by bodies such as the Diocesan Education Advisers, the Youth Ministry Group (*Clogher don Óige*), Safeguarding of Children and Vulnerable Adults Committee and the Diocesan Liturgy Commission. More recently, a Property Advisory Committee has been set up to advise on the optimum ways to maintain parochial and diocesan properties for the benefit of the Trust. The staff at diocesan level support the work of these bodies in various ways, including administratively and through the creation of resources as needs determine. Parishes are encouraged to have structures in place so as to give expression to the collaborative nature of ministry in practical terms and enable co-responsibility for the life of the parish between clergy and lay faithful. This is becoming more important all the time. An example of was in Clontibret parish, which no longer has a resident priest in ministry, where the parishioners on a voluntary basis undertook extensive improvement works on the three churches in that parish. This work is an example not only of collaboration and co-responsibility, but it also highlights the importance of the local church building in the life of each local community.

During 2023 the journey of the Catholic Church in Ireland along the synodal pathway of discerning what God wants of his Church at this time continued. Following the completion of national and continental stages, the first of a two-stage Synod on Synodality was held in Rome in October 2023 to bring together the various strands of thought and prayerful reflection. This was rooted in a new methodology centred on 'conversations in the Spirit'. The theme of the Synod was reflected in its Report, entitled 'A Synodal Church in Mission'. This theme was reflected in the work locally of the Clogher Synodal Team during 2023. Further consultations were held with parishes, youth groups, Church-based organisations and with clergy and religious. A significant stage of this was a one-day gathering of Clergy in Monaghan on 6 June 2023.

TRUSTEES' REPORT - continued

ACTIVITIES - continued

The gathering of clergy was preceded by a series of local engagements at Pastoral Area levels which identified some of the challenges facing us, particularly in terms of the declining numbers of priests, the rising age profile of priests and the continuing workload and expectations on the part of parishioners. An external facilitator was engaged in the preparation and moderation of the day itself. What was abundantly clear from the reflections was that the current structure and practices for the delivery of pastoral and spiritual care were in need of serious overhaul and a new approach was called for. Arising from the day of reflection, Bishop Larry responded by writing a Pastoral Letter to the People of God in the Diocese in late July 2023 entitled 'Our Baptism Calls us to serve in New Ways'. The letter set out a very sober analysis of the realities facing the diocese in terms of the future delivery of pastoral ministry. For example, it pointed out that if we continue as we are, in less than 20 years we will have less than 10 priests left to serve the 37 parishes and 85 church communities. The Bishop also pointed out that there is an over-dependence on priests for not just pastoral care but for administration and dealing with property maintenance matters. In addition, the wellbeing and care of clergy is a concern that requires attention. Moreover, the letter emphasised the need to move from a model that is clergy-dependent and based almost solely on sacramental provision to one that is broader in terms of recognizing, utilizing and honouring the vocation and varied gifts of all the baptised and which will, over time, allow for really effective and meaningful co-responsibility in the Church's mission. Flowing from and in parallel with the above, Bishop Duffy authorised the Diocesan Liturgy Commission to draw up plans for a programme of training and formation for Lay Funeral Ministry, Candidates were to be nominated by their respective Parish Priests and they were to undergo several months of training at diocesan level, followed by mentoring at local level and training in safeguarding. Over 30 lay people, from 11 parishes, began the training and formation course, delivered by an approved external trainer, in November 2023. In May 2024, some 30 of these were Commissioned by Bishop Duffy for funeral ministry in parishes (to assist families in preparing funeral liturgies, to lead the liturgy for the Reception of the Body at the church and/or to lead the Rite of Committal at the graveside or crematorium. Some additional candidates have been nominated by other parishes and it is planned to hold a further training and formation programme in late 2024 or early 2025 following an evaluation of the first programme and its outcomes.

The Diocesan Synodal Team, together with Bishop Duffy, is also engaging with clergy and parishioners around the establishment of structures at parish and Pastoral Area levels to assist with the development of Parish Pastoral Councils and the development of programmes for training and formation of lay people for a range of ministries.

The ongoing work of the Diocesan Youth Ministry organisation, *Clogher don Óige*, included the organisation of summer camps, pilgrimages and leadership training resumed in 2023. This included the recruitment and training of new leaders as well as outreach to secondary schools. This led to a renewed participation of young people in the life of the Diocese in 2023, including the annual pilgrimage to Lourdes and the World Youth Day events in Portugal.

The annual pilgrimage season at Lough Derg continued in 2023. Following a modest increase in pilgrim numbers in the previous year, the number of pilgrims undertaking a Three-Day Pilgrimage or a One Day Retreat increased to 7,320 in 2023 up by approximately 4% on 2022. Among the One Day Retreats was one dedicated to the people of the Diocese of Clogher which was attended by over 500 pilgrims. Lough Derg continues to seek out ways of offering this unique experience to people in the context of today's world. In addition to the Pilgrim Path Pilgrimages along the lake shore, a number of Residential Retreats were held on the Island as well as Quiet Day Retreats, Seniors Afternoon, Faith & Light Northern Regional Pilgrimage and the ecumenical Day of Friendship & Prayer. Together, these accounted for approx. 600 pilgrims. The largest increase in numbers was for the Confirmation Retreatants. Growing steadily year and year over 700 children participated in these this pre and post Confirmation Retreats.

The annual pilgrimage to Lourdes resumed in 2023, with the pilgrimage being held from 6-12 July. Over 200 people including many assisted pilgrims took part in the pilgrimage. A Diocesan Pilgrimage to the Shrine of Our Lady of Knock was also held in September 2023, led by Bishop Duffy.

There was a huge increase in the capital projects for Catholic Maintained Schools in Northern Ireland. The School Capital Grant income and expenditure was much greater in 2023 than 2022. The work carried out generated income

TRUSTEES' REPORT - continued

ACTIVITIES - continued

(and expenditure) from School Capital Projects of c€2.5m a substantial increase on the works carried out in 2022 of c€1.7m. All 15 parishes in Northern Ireland and 1 parish which is divided by the border carried out capital projects on their schools. The spend ranged from St Lawrence's PS, Fintona spending c€3,000 to St Mary's Primary School (PS), in Tempo parish spending c€0.5m on new modular classrooms.

Work on restoring the fabric of St Macartan's Cathedral which began in 2019 and resumed in 2022, continued in 2023 with the commencement of Phase 3, concentrating on the restoration and conservation of the tower and spire. The scaffolding surrounding the tower became a significant feature of the Monaghan town skyscape for much of the year and into 2024. St Macartan's Cathedral was built between 1861 and 1892, and the grounds were completed in the 1940s. It is a Protected Structure of regional significance. The restoration work involves vital repairs to parts of the roof. During 2019 and 2020, funding of €100,000 towards this project was received from the Irish Heritage Council through Monaghan Co Council. This restoration project is concentrated on the parts of the building most in need of critical attention. In May 2021 the Historical Structures Fund 2021 announced a further €160,000 award to the Cathedral to be phased over 2 years and to be used towards restoration of the "Rose Window" over the main entrance to the Cathedral. In 2023 additional funding was received from the Benefact Trust of €0.11m and the Historic Structures Fund ("HSF") from Monaghan County Council of €0.1m (another €0.1m due from the HSF in 2024).This is a major project for the Diocese of Clogher and the Parish of Monaghan & Rackwallace, the current phase 3 of the project costing c€3m (Phase 1 and 2 completed costing c€1m before grants) .

Other important activities in the Diocese included:

- The Clogher Justice and Peace and Integrity of Creation Group continued to further the protection of creation, and the vision set out by Pope Francis in his encyclical *Laudato Si'* The question of climate change is central to the Gospel. The Season of Creation in September and early October of each year is marked in parishes across the Diocese. In October 2023, Pope Francis issued an Apostolic Exhortation entitled *Laudate Deum*, which was the focus of meetings of the group, whose members come from across the diocese.
- Fundraising and support for other charitable organisations, e.g., Trócaire, St Vincent de Paul, Special Appeals e.g., relief to areas affected by natural disasters and wars.
- Resourcing and Support for Parents, Staff, Students and Boards of Management of Schools through the work of Diocesan Advisers as well as dedicated events such as Catholic Schools Week in January 2023
- The Support Worker for Clergy continues to provide help and advice to clergy in terms of wellbeing and healthcare provision. This role is appreciated by all clergy, especially those who are of an advanced age and in need of care provision.
- Promotion of Vocations to Priesthood, Diaconate and Religious Life. One seminarian continues with his formation for Priesthood at St Patrick's College, Maynooth. Another man continues to journey on the formation programme for the Permanent Diaconate, to serve in the diocese.
- As has been the practice since the Jubilee Year 2000, the Catholic and Church of Ireland Dioceses of Clogher held an Ecumenical Service for the Feast of Pentecost at an ancient Christian site in the diocese. In 2023, the Ecumenical Service was held at St Daig's Round Tower in Inniskeen, Co Monaghan – a place of Christian worship from the 6th century until the latter decades of the 20th century. Bishop Larry Duffy and the Church of Ireland Bishop, Dr Ian Ellis, led the Service which was attended by around 300 people.
- Collaborative work on Church initiatives through the Irish Episcopal Conference (IEC) and inter-diocesan contacts continued in 2023. These include work in the areas of social justice, Catholic Social Teaching, liturgy, the ongoing Synodal Pathway and promotion of vocations and missionary outreach.

Assessment of Risk and Uncertainties and Consideration of Going Concern

Our investments are ethically managed and fossil free funds with State Street Global Advisors and Davys. The return over the 2023 has been excellent as markets steadied after the poor performance given the energy crisis, and the war

TRUSTEES' REPORT - continued

Assessment of Risk and Uncertainties and Consideration of Going Concern – continued

in Ukraine (see note 7 in the Notes to the Financial Statements below). The Israel-Hamas War that began on 7 October 2023, also impacted on the later part of the year. The outlook for 2024 is better with estimations this year of c4% return however turbulence is expected throughout this year.

Strong management of overheads continued in 2023, and significant challenges lie ahead in the coming years when we consider the impacts of the global economy and the current energy crisis that we are all facing. The increased costs are making it financially difficult for parishes to continue heating buildings used not only by worshippers but also, community groups and charities. 75% of our churches in the Diocese are listed buildings and as such have vast maintenance requirements within very stringent preservation rules.

Notwithstanding some of the challenges outlined above, the Trustees have reasonable confidence that the Roman Catholic Diocese and Parishes of Clogher will have adequate cash to fund its operations and meet financial obligations as they fall due for the period of at least 12 months from signing the financial statements.

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

FINANCIAL REVIEW

The results for the year are set out on page 15.

The net movement in funds for 2023 was €1.6m. This is an increase €4.6m on the 2022 result (2022, a negative net movement of €3m).

Overall, income and endowments totalled €14m, an increase of €1m on the previous year. Expenditure was €14.9m, an increase of €1.6m on the previous year. However, a more detail review will explain the increases as there has been a significant increase in income (and spend) for School Capital Grants for Northern Irish Schools from the Dept of Education NI. The works have already been mentioned in the Trustees Activity Report above.

A cost worth mentioning to help rationalise figures is foreign exchange. Our parishes do not speculate on making gains or losses on foreign exchange. The Parish GBP bank accounts are restated into Euro for the purpose of preparing annual Diocesan consolidated accounts. The Parishes do not experience a gain or a loss, they continue to use their GBP accounts in the normal running of their Parish, that Parish happens to be located in Northern Ireland or straddles the border between North and South. The FX gain of €0.1m for 2023 against the 2022 FX loss of €0.34m leaves a favourable gain of €0.4m year on year (reported with expenditure note 4(i)). This is due to a significant movement in the exchange at the 31st December 2023 (Euro to GBP 0.86905) compared to the 31st December 2022 (Euro to GBP 0.88693), which favourably affects the restating of GBP balances in our accounts.

It is useful to isolate these income and expenditure figures from the results as they inflate/deflate the financial results.

Also worth considering is unrealised gain on investments in 2023 of €2.4m. This is an increase of €5.2m on 2022 unrealised loss of €2.8m. These returns are unrealised, non-cash items. These investments are monitored closely and after the difficulties of 2020 and again in 2022 markets remain volatile and turbulent, however the outlook for the remainder of the 2024 financial year is very positive. Unrealised gains as at 30 October 2024 are c€2.5m a return of 11.6%.

Funding sources are detailed in note 3 on page 23.

When we adjust the income and expenditure figures for School Capital Projects and the unrealised gains (2023) and losses (2022) on investments and adjust the expenditure for foreign exchange the results are:

TRUSTEES' REPORT - continued

FINANCIAL REVIEW - continued

Income and endowments from:	**2023**	**2022**
	€	€
Donations and legacies	7,925,950	7,880,731
Charitable activities	3,394,105	3,229,668
Investments	47,273	10,576
Other Income	224,344	220,152
Total	**11,591,672**	**11,341,127**

FINANCIAL REVIEW - continued

Expenditure on:	**2023**	**2022**
	€	€
Charitable activities	12,357,493	10,900,669
Raising funds	176,152	187,136
Other	-	-
Bank charges	56,307	52,034
Loan interest	139,461	90,478
Total	**12,729,413**	**11,230,317**
Net (expenditure)/income before investment unrealised losses/gains, School Capital Project income and expenditure and foreign exchange	**(1,137,741)**	**110,810**

Donations and legacies income have increased overall by €0.05m on the previous year. There are some positive signs within this upturn in income, Weekly Offerings are up by €0.4m and Gift Aid by €0.1m year on year. There are a few decreases year on year within this category for example, gift bequest which were exceptional in 2022 was down by €0.33m for 2023. (Gift Bequest is income that is never expected but greatly appreciated given the circumstances of the legacy. In 2022 Belleek Parish, St. Patrick's Purgatory (Lough Derg), Curia, and Killeevan Parish were all beneficiaries of such bequests, and the total received was €0.55m). In 2022 we took up a collection for Ukraine and there was no similar collection or appeal in 2023 which results in a downturn of c€0.2m.

Income from charitable activities have increased overall by €0.9m on the previous year.

As mentioned previously, included in this category of income is School Capital Grants for Catholic Maintained Schools in Northern Ireland. Under the current process, these schools must make a claim for capital grants to the Department of Education (NI) through their parish and, as such, each parish within Northern Ireland is required to keep a school bank account to record this type of funding and include this in the annual financial statements.

Applications for capital works are submitted by schools to the Education Authority and following a process of consultations approval may be given. In that event and the work is carried out, payment of invoices is approved by the Department of Education's Estate Operations Team and the funds are transferred to the parish school bank account for payment within a specified period. Therefore, School Capital Grant income is normally offset by payments on School Capital/Projects recorded under Expenditure on Charitable Activities. In 2023 this income was marginally greater than the expenditure, these differences occur from time to time.

The figures adjusted above reflect the charitable activities income adjusted for School Capital Grants; this changes the figures to reflect an increase on charitable activities income year on year of c€0.2m.

TRUSTEES' REPORT - continued

FINANCIAL REVIEW - continued

Lourdes income falls under this category and 2023 saw the Diocesan Lourdes Pilgramge reinstated. The income generatged (2023 €0.25m) goes to offset the costs of the pilgrimage reported in Charitable Activities expenses below. Lough Derg/St Patrick's Purgatory – retreat income also falls into this category of income from charitable activities, with post-Covid in house retreats offered on Lough Derg/St Patrick's Purgatory from 2022 it continued to grow during 2023, and this income increased by €0.05m.

The Diocese also receives charitable grants and heritage funding from time to time recorded under "Other income for charitable purposes" this income decreased by €0.1m on the previous year. In 2023 the Parish of Monaghan &

Rackwallce receive grants from the Benefact Trust of €0.11m and the Historic Structures Fund ("HSF") from Monagahn County Council of €0.1m (another €0.1m due from the HSF in 2024) towards the renovation of St. Macartan's Cathedral. The Parish of Brookeboro (Aghavea-Aughintaine) received €0.11m in National Lottery (UK) heritage funds, Department for Digital, Culture, Media & Sport – Listed Place of Worship Grant Scheme and €0.08m and €0.03m from The National Churches Trust. Lough Derg/St. Patrick's Purgatory also receive c€0.02m towards renovation of the islands Basilica from the Benefact Trust.

Investment income is bank interest on current or savings accounts.

Expenditure is detailed in note 4 on pages 24 to 25.

Expenditure levels are closely monitored in relation to both recurring costs and one-off projects. Every effort is made to keep costs at a minimum. Costs have increased in 2023. The biggest increase in expenditure was on charitable activities which accounts for most of the increase, there were some reductions within charitable activity expenditure. The most notable increase in spend was School Capital payments which has been explained above and Renovation Projects which is detailed below.

Figures adjusted on page 8 to reflect results when we adjust for School capital expenditure and the foreign exchange loss, this allows for better analysis and shows an increase in spending of €1.4m. (We have already referred to School capital expenditure and the foreign exchange loss above).

The most notable cost increases are on Charitable activities:

a) Renovations which increased by c€1.1m. Significant spends in the Parish of Monaghan on renovations on St. Macartan's Diocesan Cathedral €1.1m; the Parish of Brookeboro (Aghavea-Aughintaine) on St. Mary's Church €0.3m during 2023; the Parish of Muckno on car park €0.3m during 2023; the parish of Errigal Truagh on the Church of the Holy Family €0.2m in 2023; and on Lough Derg/St Patrick's Purgatory €0.4m on the island Basilica. (As noted above fundraising for these projects has been sought.)

b) Administration expenses increased also by €0.2m. It is made up of an increase in Wages & PRSI/NIC mainly due to staff for Lough Derg/St Patrick's Purgatory.

c) General repairs and maintenance costs increased in 2023 by €0.3m, in 2023 they were €2.8m compared to €2.5m in 2022. There were additional repairs to the St. Mary's carpark, Pettigo: the roof of the Bishops House, Monaghan; St. Mary's graveyard and St. Mary's hall Lisdoonan; insulation in St. Michael's Annyalla; St. Patrick's graveyard, Broomfield; and Belleek parish land maintenance.

d) Lourdes expenditure has increased by €0.25m in line with the note on Lourdes income above.

e) Retreat expenditure increase by €0.13m due to the increased services provided by Lough Derg/St Patrick's Purgatory.

The most notable cost decreases are on Charitable activities:

f) Depreciation has reduced significantly in 2023. In 2018 Financial Statements, fixtures and fittings assets were depreciated for the first time and are now fully depreciated with no depreciation charge for 2023.

TRUSTEES' REPORT - continued

FINANCIAL REVIEW - continued

g) In 2022 there was a special appeal payment and associated collection taken up for Ukraine, already detailed in income, there was no similar collection of that scale taken up in 2023.

INVESTMENTS

Investments are managed to provide an appropriate level of liquidity in suitable investments for short term needs. There are limited funds held for long term investment. Changes in investment are notified to the Finance Committee. This committee invests whatever amount that it has available on term deposits or with State Street Global Advisers.

Investments performed very well in 2023, returning an unrealised gain of €2.4m. Many major share indices recorded double-digit gains during the year, helped by a strong rally in November and December as falling inflation made traders more hopeful of an interest rate cut in 2024. A policy has been drawn up in line with the Laudato Si' Movement which encourages the Catholic community to make prophetic decisions like aligning one's investment policy with the teachings of the Church on the need to move away from fossil fuels. There is an acknowledgement that the investments and the Diocese at large must examine the carbon footprint we are leaving on the earth, and this must be addressed sooner rather than later.

RESERVES

In line with best practice, the Diocesan Finance Committee and the Parish Trustees have prepared the financial statements for the year ended 31 December 2023 with reference to most of the recommendations of the Statement of Recommended Practice (SORP). The SORP requires a charity to state its reserves policy within its annual report. This policy is included on page 19. The Committee and the Trustees have examined the charity's requirements for reserves considering the main risks to the organisation in determining the amount of reserves to be carried.

PLANS FOR FUTURE PERIODS

The work of the Roman Catholic Diocese and Parishes of Clogher, in furtherance of the objectives of the charity, will continue in 2023 and beyond. During 2024 the following work will be included among the projects undertaken:

Pastoral Areas

Provision of pastoral care to the people of the diocese will remain our chief priority. This will continue to be developed through the Pastoral Areas. Meetings of priests and laity at the Pastoral Area level will be held. In addition, diocesan staff, diocesan bodies, such as the Council of Priests, Diocesan Liturgy Commission, Clogher don Óige, and the work of diocesan staff will ensure that the priests and lay volunteers at parish and pastoral area level are supported appropriately.

FUNDS

The funds of the Diocese are identified as **Restricted** or **Unrestricted**.

Restricted Funds comprise

i. Monies donated or bequeathed to the Diocese for specific purposes, and which may only be used strictly for these purposes. Examples of these Restricted Funds include the Diocesan Clerical Fund (for the care and support of sick and retired priests), the Education and Vocations Fund (for the support of Catholic Schools and the education of students for the priesthood) and the Cathedral Fund (for the maintenance of the Diocesan Cathedral and its services).

Parish funds. Since each parish is an individual and autonomous entity, with the Parish Priest as Trustee, parish funds are by their nature restricted to the use of the parish. No parish funds are at the disposal of the Diocese or any other parish, unless by agreement between the Parish Trustee and the Diocesan Trustees, as is the case for Diocesan Levies, and then only where the purpose of these contributions is clearly defined and in accordance with the Charitable Objects.

TRUSTEES' REPORT - continued

FUNDS – continued

ii. **Unrestricted Funds** include monies donated or bequeathed to the Diocese for use at the discretion of the Bishop for the administration of the Diocese and the forwarding of the charitable Objects and Activities of the Diocese. Unrestricted funds are used to cover the running costs of the diocese.

Details of reserves held at year end are disclosed in note 14.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The governance of the Diocese is established by arrangements set out in the Trust Deed (signed 23 November 2016). The Diocesan Trustees are currently the Bishop, the Diocesan Secretary and the two Vicars General of the Diocese.

The Trustees meet annually to receive the Annual Report and financial statements. The Trustees met during 2023:

Trustee	8 February	20 June	26 September	11 December
Fr Joseph McGuinness				✓
Fr Shane McCaughey	✓	✓	✓	✓
Fr Peter O'Reilly		✓		
Bishop Larry Duffy	✓	✓	✓	✓

Unless otherwise stated, the Trustees were in office up to the date of approval of the financial statements.

The Trustees are advised and guided in the financial management and stewardship of the Charity by the Diocesan Finance Committee, a non-executive Committee comprising of ten members, six lay people and four senior clergy. Unless otherwise stated, the Finance Committee members were in office up to the date of approval of the financial statements.

Each parish is managed by a member of clergy who has been appointed with responsibility for that parish. Parishes are managed by a Parish Priest, or by a Priest Administrator. As required by Canon Law, he is assisted and advised by a Parish Finance Committee.

All Trustees are selected by the Bishop. The Bishop ensures that the trustees are given the training and resources to conduct their role appropriately. This is done in several ways, briefings, circulars, seminars, deanery conferences and the annual general conference.

INTERNAL CONTROL AND RISK MANAGEMENT

The Trustees are responsible for providing reasonable assurance that:

- the Diocese complies with relevant laws and regulations;
- the Diocese is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained, and financial information used within the Diocese or for publication is reliable; and
- the systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement of loss. They include:
    - a finance committee in place in every parish;
    - a number of guidelines are in place in parishes to ensure best practice in the relevant area is followed. These include child protection policies, administrative guidelines and HR and volunteer policies

The Diocesan and Parish Trustees are committed to becoming fully compliant with all charities regulations and to adopting and implementing required reporting standards. In 2023 due to improvements in controls the Auditors have issued an unqualified audit opinion.

TRUSTEES' REPORT - continued

THE ROLE OF VOLUNTEERS

Volunteers are essential to parish life as they fulfil a wide variety of roles. These include formal ministries stemming from Vatican II, such as extraordinary ministers of the Eucharist and Ministers of the Word. In recent years baptism teams have developed to support and guide parents at the time of their child's initiation into the church. Another feature of recent years has been the emergence of Funeral Teams in some parishes, to assist clergy and the bereaved in arranging funeral liturgies and providing bereavement support. In a different way, volunteers serve on committees such as parish pastoral councils and advise and assist priests in meeting the pastoral needs of the parish. In addition, the finance committee supports the priest by advising on financial, property and even employment and contractual matters in some cases. Other volunteers help manage parish centres and deliver services in the parish. Some volunteers have a less formal role such as cleaners, groundskeepers and florists. Many of these roles are time-consuming and in some cases are carried out by paid employees.

POST BALANCE SHEET

There have been no significant events since the balance sheet date that need to be disclosed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation of the financial statements of the Charity which are set out on pages 15 to 29 in accordance with generally accepted accounting practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

The Trustees are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Charity and fund movements for that period. In preparing the financial statements, the Trustees are required to:

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

The Trustees confirm that they have complied with the above requirements in preparing the financial statements. The Trustees are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Charity and to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by:

+ Larry Duffy	Shane McCaughey
Bishop Larry Duffy	Fr. Shane McCaughey
Date: 30-10-24	Date: 30th October 2024

pwc

Independent auditors' report to the Trustees of the Roman Catholic Diocese and Parishes of Clogher

Report on the audit of the financial statements

Opinion

In our opinion, the Roman Catholic Diocese and Parishes of Clogher's financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its net movement in funds and cash flows for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

We have audited the financial statements, included within the Annual Financial Report, which comprise:

- the Balance Sheet as at 31 December 2023;
- the Statement of Financial Activities for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"). Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Financial Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 12, the Trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the Trustees and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the charity, save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants
Dublin
30 October 2024

STATEMENT OF FINANCIAL ACTIVITIES
Financial Year Ended 31 December 2023

	Notes	Unrestricted	Restricted	Total 2023	Total 2022
		€	€	€	€
Income and endowments from:					
Donations and legacies	3	273	7,925,677	7,925,950	7,880,732
Charitable activities	3	-	5,850,265	5,850,265	4,953,335
Investments	3	-	47,273	47,273	10,576
Other Income		-	224,344	224,344	220,152
Total		273	14,047,559	14,047,832	13,064,795
Expenditure on:					
Charitable activities	4	12,940	14,646,100	14,659,040	12,979,255
Raising funds	4	-	176,152	176,152	187,136
Other	4	-	-	-	-
Bank charges	4	46	56,261	56,307	52,034
Loan interest	4	-	139,461	139,461	90,478
Total		12,986	15,017,974	15,030,960	13,308,903
Net unrealised/realised gains/(losses) on investment		823	2,417,919	2,418,742	(2,786,856)
Net Income/(Expenditure)		(11,890)	1,447,504	1,435,614	(3,030,964)
Transfers between funds		-	-	-	-
Other gains/(losses)		-	-	-	-
Net movement in funds	14	(11,890)	1,447,504	1,435,614	(3,030,964)
Reconciliation of funds:					
Total funds brought forward		76,101	42,808,281	42,884,382	45,915,346
Total funds carried forward	14	64,211	44,255,785	44,319,996	42,884,382

BALANCE SHEET
As at 31 December 2023

	Notes	31 December 2023 Unrestricted Funds €	31 December 2023 Restricted Funds €	31 December 2023 Total Funds €	31 December 2022 Total Funds €
Fixed assets					
Tangible assets	6	-	8,470,360	8,470,360	8,440,949
Investments	7	8,163	23,307,361	23,315,524	22,351,021
		8,163	31,777,721	31,785,884	30,791,970
Current assets					
Debtors and prepayments	8	-	1,266,683	1,266,683	1,127,680
Cash at bank and in hand		56,048	14,037,629	14,093,677	13,922,975
Total current assets		56,048	15,304,312	15,360,360	15,050,655
Liabilities					
Creditors (amounts due within one year)	9	-	(1,089,250)	(1,089,250)	(993,676)
Net current assets		56,048	14,215,062	14,271,110	14,056,979
Total assets less current liabilities		64,211	45,992,783	46,056,994	44,848,949
Creditors (amounts due in more than one year)	10	-	(1,736,998)	(1,736,998)	(1,964,567)
Net assets		64,211	44,255,785	44,319,996	42,884,382
The funds of the charity					
General funds	14	64,211	44,255,785	44,319,996	42,884,382

Approved by:

+ Larry Duffy

Bishop Larry Duffy

Shane McCaughey

Fr Shane McCaughey

STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2023

	Notes	2023 €	2022 €
Cash flows from operating activities:			
Net cash flows generated from operating activities	11	(871,414)	297,102
Cash flows from investing activities:			
Proceeds from the sale of property, plant and equipment		123,657	198,115
Purchase of property, plant and equipment		(321,090)	(11,906)
Purchase/(sale) of investments		1,468,358	(1,742,784)
Net cash flows (used in)/generated from investing activities		1,270,925	(1,556,575)
Cash flows from financing activities:			
Cash inflow from new borrowings		-	-
Repayment of borrowings		(228,809)	(155,095)
Net cash flows used in financing activities		(228,809)	(155,095)
Net (decrease)/increase in cash and cash equivalents		170,701	(1,414,568)
Cash and cash equivalents at beginning of the year		13,922,977	15,337,543
Cash and cash equivalents at end of the year		14,093,678	13,922,975

NOTES TO THE FINANCIAL STATEMENTS

1 General information and statement of compliance

(a) General information

The financial statements of the Roman Catholic Diocese and Parishes of Clogher includes the financial information for the curia and Parishes of the Diocese.

The CHY number is 7075. The CRA number is 20014452.

The entity name is registered under the name Parishes and Schools of the Diocese. The CRA register does not currently reflect the Trust Deed name of the organisation being The Roman Catholic Diocese and Parishes of Clogher.

The Roman Catholic Diocese of Clogher is located in the north of Ireland. Its territory includes all of the County of Monaghan and parts of Counties Fermanagh, Tyrone, Donegal, Louth and Cavan. The Diocese is almost evenly divided by the border between Northern Ireland and the Republic of Ireland. The seat of administration of the Diocese is in Monaghan. Address: Diocesan Office, Bishop's House, Monaghan, Co. Monaghan.

The Diocese is made up of 37 parishes - 20 in the Republic of Ireland, 15 in Northern Ireland and 2 which are divided by the border.

The governance of the Diocese is established by arrangements set out in the Trust Deed.

(b) Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the UK Financial Reporting Council. The entity financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). Some but not all of the provisions of the Statement of Recommended Practice have also been applied to these financial statements.

2 Summary of significant accounting policies

(a) Basis of preparation

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the trustees to exercise their judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in the notes to these financial statements.

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

The financial statements have been prepared in line with some but not all of the provisions of Charities SORP FRS 102.

(b) Going concern

The organisation meets its day to day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty over the level of donations received. After making and having considered the long-term impact of COVID-19 and on how the numbers attending worship have not returned to pre-covid levels, considering the impact of the war in Ukraine and the Middle-East and the energy crisis, our detailed cash forecasts for the period of at least 12 months from signing the financial statements, the trustees have a reasonable expectation that the Diocese and parishes has adequate resources to continue in operational existence for the foreseeable future. Therefore, these entity financial statements

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Summary of significant accounting policies - continued

have been prepared on a going concern basis. applicable in the UK and Republic of Ireland' (FRS 102). Some but not all of the provisions of the Statement of Recommended Practice have also been applied to these financial statements.

(c) Fund accounting
The Diocese maintains various types of funds as follows:

Unrestricted funds
This represents unrestricted income which is expendable at the discretion of the trustees in the furtherance of the objects of the Diocese.

Restricted funds
Restricted Funds comprise
(i) Monies donated or bequeathed to the Diocese for specific purposes, and which may only be used strictly for these purposes. Examples of these Restricted Funds include the Diocesan Clerical Fund (for the care and support of sick and retired priests), the Education and Vocations Fund (for the support of Catholic Schools and the education of students for the priesthood) and the Cathedral Fund (for the maintenance of the Diocesan Cathedral and its services).

(ii) Parish funds. Since each parish is an individual and autonomous entity, with the Parish Priest as Trustee, parish funds are by their nature restricted to the use of the parish. No parish funds are at the disposal of the Diocese or any other parish, unless by agreement between the Parish Trustee and the Diocesan Trustees, as is the case for Diocesan Levies, and then only where the purpose of these contributions is clearly defined and in accordance with the Charitable Objects.

(d) Revenue recognition
(i) Donated income
Donations are recognised when received or receivable. Where the donor has requested the donation is spent for a particular purpose the income is included in the Statement of Financial Activity when the required performance criteria is met. Where the donation is unrestricted the income is included in the Statement of Financial Activity when received or receivable.

(ii) Bequest income
For bequests, entitlement is taken as the earlier of the date on which either: The Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the Charity has been notified of the executor's intention to make a distribution. Where bequests have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the bequest is a treated as a contingent asset and disclosed if material.

(iii) Income from charitable activities
Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

(iv) Donated services and facilities
Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Please refer to the Trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Summary of significant accounting policies - continued

(e) Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activity.

The value of financial instruments traded in active markets (such as publicly traded equities) is based on quoted market prices at the balance sheet date. The market valuations are provided to the investment advisors by a third-party pricing source. The value of the remaining financial instruments that are not traded in an active market is the lower of (a) the valuation as determined by the investment advisors using valuation techniques or (b) the estimated recoverable amount as determined by the Trustees.

(f) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date. Transactions in foreign currencies are recorded at the exchange rates ruling at the dates of the transactions.

Gains and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with in the income and expenditure account.

(g) Expenditure and irrecoverable VAT

Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with the mission of the church and include both the direct costs and support costs relating to these activities together with primary purpose trading activities that raise funds.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents.

(i) Taxation

The Charity is exempt from taxation due to its charitable status.

(j) Tangible fixed assets

(i) Free hold land

Where ownership has been established, land is valued at fair value based on the current use value of the land as the Charity is in the not-for-profit sector. There is no land or buildings held for investment.

(ii) Free hold buildings: functional buildings (i.e., that are for the purpose of the charity and are still in use)

The original cost of buildings was not available therefore the Charity based its accounting policy on the insurance value of these assets as at 31 December 2017 which was then discounted back to the year of acquisition or construction using the consumer price index (the CPI was benchmarked at the earliest date available 1922) to arrive at the estimate of the acquisition cost. Where ownership has been established, this acquisition cost was then depreciated over the buildings useful life to arrive at its current net book value. This does not reflect the insurance value or the current market value of these assets.

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Summary of significant accounting policies - continued

(j) Tangible fixed assets - continued

(iii) Computers and equipment, fixtures and fittings

The Charity adopted a fixed asset accounting policy for the first time in 2017. Computers and equipment, fixtures and fittings are carried at cost or valuation less accumulated depreciation and impairments. Fixtures and fittings costing in excess of €5,000 are capitalised and depreciated over a period of 5 to 10 years. Computer equipment costing in excess of €1,000 is capitalised and depreciated over a period of 5 years.

Where the original cost of the assets was not readily available the Charity has based its opening book value, on the current insurance valuation of assets, discounted back to an estimate of cost using the relevant consumer price index.

(iv) Heritage assets

Heritage assets consist of assets that have a historic and artistic significance such as chalices, ciborium, treasures and works of art. A reliable cost is not available for these works of art and historic treasures and the Trustees believe that the cost of carrying out such an exercise would outweigh the benefit of this information to the user of the financial statements therefore in accordance with SORP and FRS102 these assets have not been capitalised. These assets are not held for investment. They are part of the Charity's overall objectives to advance the Roman Catholic faith. They are not held for investments and the Charity does not actively seek to acquire or dispose of these assets.

(v) Depreciation

Land is not depreciated. Depreciation on the other assets is calculated using the straight –line method over the estimated useful lives, as follows:

	Years
Church	100 years
Freehold buildings	50 years
Office equipment, computer equipment and fixtures and fittings	5 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate at the end of each financial year.

(k) Critical accounting estimates and assumptions

The Trustees make estimates and assumptions concerning the future in the process of preparing the Charity's financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Useful economic lives of tangible fixed assets

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the tangible fixed assets and note 2 (j) for the useful economic lives for each class of tangible fixed assets.

(ii) Impairment of debtors

The Trustees make an assessment at the end of each financial year of whether there is objective evidence that a debtor is impaired. When assessing impairment of debtors, the Trustees consider factors including the historical experience of cash collections from the debtor.

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Summary of significant accounting policies - continued

(l) Financial instruments

The Charity has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Other debtors, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases, and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

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

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including other creditors, and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other creditors, bank loans, and financial liability from arrangements that constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Income

	2023 Unrestricted €	2023 Restricted €	2023 Total funds €	2022 Total funds €
(i) Donations and legacies				
Church collections and offerings	-	6,850,576	6,850,576	6,504,096
Renovation fundraising	-	818,987	818,987	791,334
Bequests	273	219,623	219,896	550,195
Education and catechetics fundraising	-	36,491	36,491	35,107
Total donations and legacies	273	7,925,677	7,925,950	7,880,732
(ii) Income from charitable activities				
Schools' capital grants/(NI)	-	2,456,159	2,456,159	1,723,666
Retreats (including St. Patrick's Purgatory, Lough Derg)	-	893,597	893,597	838,123
Parish draws	-	526,132	526,132	571,935
Missalettes/books/shrines	-	514,844	514,844	499,064
Rental income	-	311,360	311,360	290,637
Lourdes	-	208,336	208,336	8,350
Trócaire income	-	322,993	322,993	201,257
Clogher don Oige events	-	17,604	17,604	1,435
Other activities	-	599,240	599,240	818,868
Total charitable activities	-	5,850,265	5,850,265	4,953,335
(iii) Investment income				
Investment income	-	47,273	47,273	10,576
(iv) Other income				
Sale/(loss) on fixed assets	-	123,657	123,657	197,192
Other income	-	100,687	100,687	22,960
	-	224,344	224,344	220,152

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Analysis of expenditure	2023 Unrestricted €	2023 Restricted €	2023 Total funds €	2022 Total funds €
(i) Expenditure on charitable activities				
General repairs and maintenance	-	2,805,848	2,805,848	2,505,948
Payment for Schools capital/projects (NI)	-	2,406,738	2,406,738	1,741,601
Administration and support costs	-	3,222,557	3,222,557	2,976,077
Renovation projects	-	2,848,620	2,848,620	1,764,780
Clerical payments (incl sick & retired)	-	1,808,395	1,808,395	1,723,760
Foreign exchange loss/(gain)	-	(105,190)	(105,190)	336,985
Depreciation	-	291,679	291,679	668,266
Trócaire	-	273,022	273,022	248,100
Lourdes	-	253,369	253,369	-
Courses/retreats	100	207,238	207,338	162,901
Special appeals payments	-	28,740	28,740	199,923
Missalettes/booklets	-	110,307	110,307	91,277
Clogher don Óige events	-	27,960	27,960	3,610
Education/Catechetical/ Vocation payments	-	55,872	55,872	76,823
Up-keep of Diocesan Houses	12,840	95,085	107,925	57,037
Shrine/statue maintenance	-	49,433	49,433	64,417
Episcopal conference	-	52,467	52,467	47,571
Accord/marriage tribunal	-	20,602	20,602	31,159
Safeguarding	-	14,883	14,883	12,730
Pastoral/resources	-	43,343	43,343	87,061
Other charitable activities	-	135,132	135,132	179,229
	12,940	14,646,100	14,659,040	12,979,255

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Analysis of expenditure – continued	2023 Unrestricted €	2023 Restricted €	2023 Total funds €	2022 Total funds €
(ii) Fundraising costs				
Parish draw costs/prizes	-	176,152	176,152	187,136
(iii) Other expenses				
Other expenses	-	-	-	-
(iv) Bank charges				
Bank fees	46	56,261	56,307	52,034
(v) Loan interest				
Loan interest	-	139,461	139,461	90,478

5 Trustees, employees and related party transactions

(i) Payroll: wages and salaries	2023 €	2022 €
Gross wages and salaries	1,889,596	1,686,976
Employer's National Insurance Contributions	142,228	120,191

The average number of employees, (both full-time and part-time), by the charity during the year was 133 (2022: 135).

	2023	2022
Parish	99	102
Other	34	29
	133	131

Voluntary workers
In additional to employees, the Charity has a number of unpaid volunteers who help in the year.

Priests
In additional to employees, there were 64 priests (2022: 69) attached to the Diocese of which 49 (2022: 51) were in active ministry.

Key management personnel
The key management personnel of the Charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the Trustees.

Trustees do not receive any remuneration by virtue of their positions as trustees. Trustees who are Roman Catholic priests of the Diocese of Clogher are housed and remunerated in their parishes and are reimbursed expenses for carrying out their priestly duties in the same way as priests who are not trustees.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Trustees, employees and related party transactions - continued

Trustees received no travel expenses in their capacity as trustees during the year.

No employees were paid annual remuneration in excess of €70,000 during the year.

There were no loans advanced to Trustees during the year and no loans outstanding on 31 December 2023.

6 Tangible fixed assets

	Land and Buildings	Computers and equipment, fixtures and fittings	Total
	€	€	€
Cost or valuation			
At 1 January 2023	29,101,802	3,237,305	32,339,107
Additions	305,130	15,960	321,090
Disposals	(36,693)	(4,077)	(40,770)
At 31 December 2023	29,370,239	3,249,188	32,619,427
Accumulated depreciation			
At 1 January 2023	20,693,997	3,204,161	23,898,158
Depreciation charge for the financial year	275,409	16,270	291,679
Depreciation on disposals	(36,693)	(4,077)	(40,770)
At 31 December 2023	20,932,713	3,216,354	24,149,067
Net book value amount			
Net book value at 31 December 2022	8,407,805	33,144	8,440,949
Net book value at 31 December 2023	8,437,526	32,834	8,470,360

7 Investments

The analysis of investments is as follows:

	2023	2022
	€	€
Curia	18,242,938	17,488,896
Parish	5,072,586	4,862,125
Investments	23,315,524	22,351,021

Reconciliation of movement in investments during the year

	2023	2022
	€	€
Fair value of investment assets at beginning of year	22,351,021	23,450,150
Additions (cost value)	-	2,280,742
Disposals (market value)	(1,468,358)	(537,958)
Dividends	-	710
Foreign Exchange gain/(loss)	14,119	(6,054)
Net unrealised gain/(loss) on revaluation of investment assets	2,418,742	(2,836,569)
Fair value of investment assets at end of year	23,315,524	22,351,021

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Debtors and prepayments

	2023	2022
	€	€
Prepayments	171,182	164,122
Other debtors & interest free loans	1,095,501	963,558
	1,266,683	1,127,680

	€
Bad debt provision	
At 31 December 2022	-
At 31 December 2023	-
Interest free loans	
At 31 December 2022	11,250
At 31 December 2023	5,000

9 Creditors: amounts due within one year

	2023	2022
	€	€
Current bank loans	(263,237)	(264,476)
Accruals	(570,966)	(283,233)
Trade creditors	(19,233)	(104,521)
Third party loans	(90,000)	(110,000)
Other creditors	(92,337)	(180,124)
Payroll taxes	(53,477)	(51,322)
	(1,089,250)	(993,676)

10 Creditors (amounts due in more than one year)

	2023	2022
	€	€
Long term bank loans	(1,736,998)	(1,964,567)

11 Reconciliation of (expenditure)/income to net cash inflow from operating activities

	2023	2022
	€	€
Net income/(expenditure) for the reporting year (as per the statement of financial activities)	1,435,614	(3,030,964)
Adjustments for:		
Depreciation charges	291,679	668,266
Gains/(losses) on investments	(2,432,861)	2,842,623
Dividends	0	(710)
(Profit) on the sale of fixed assets	(123,657)	(197,191)
(Increase) in debtors	(139,005)	(71,196)
Increase in creditors (excluding bank loans)	96,816	86,274
Net cash generated from operating activities	(871,414)	297,102

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Analysis of cash and cash equivalent

	2023 €	2022 €
Cash in hand	11,338,051	10,919,329
Notice deposits	2,755,626	3,003,646
	14,093,677	13,922,975

13 Comparative figures

Certain 2022 figures have been amended to reflect classification changes for comparative purposes.

14 Reserves

	2023 €	2022 €
Total opening funds	42,884,382	45,915,346
Net movement in funds	1,435,614	(3,030,964)
General funds carried forward	44,319,996	42,884,382
Split as follows:		
Unrestricted	64,211	76,101
Restricted	44,255,785	42,808,281
	44,319,996	42,884,382

	Unrestricted €	Restricted €	2023 €	2022 €
Reserves	64,211	44,255,785	44,319,996	42,884,382
Parish (incl. Lough Derg)	-	24,361,614	24,361,614	24,477,197
Curia	64,211	19,894,171	19,958,382	18,407,185
	64,211	44,255,785	44,319,996	42,884,382

15 Parish Priests in the Diocese of Clogher as at 31 December 2023

Parish of Monaghan – Rev Patrick McGinn Adm.
Parish of Arney – Rev Seamus Quinn P.P.
Parish of Aughnamullen East – Rev Adrian Walshe P.P.
Parish of Ballybay – Rev Owen Gorman Adm.
Parish of Belleek-Garrison – Rev Tiernach Beggan P.P.
Parish of Brookeboro – Rev Brendan Gallagher P.P.
Parish of Bundoran – Rev Cathal Deery Adm & Rev Kevin Duffy Adm
Parish of Carrickmacross – Rev Shane McCaughey P.P.
Parish of Castleblayney – Rev Adrian Walshe P.P.
Parish of Clogher – Rev Noel McGahan P.P.
Parish of Clones – Rev James Moore P.P
Parish of Clontibret – Rev Adrian Walshe P.P.
Parish of Corcaghan – Rev Patrick McGinn P.P.
Parish of Derrygonnelly – Rev Cathal Deery P.P.
Parish of Donagh – Rev Hubert Martin P.P.

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Parish Priests in the Diocese of Clogher as at 31 December 2023 - continued

Parish of Donaghmoyne – Rev Michael Daly P.P.
Parish of Dromore – Rev Padraig McKenna Adm
Parish of Ederney – Rev Frank McManus P.P.
Parish of Enniskillen – Rev Peter O'Reilly P.P.
Parish of Errigal Truagh – Rev John Flanaghan P.P.
Parish of Eskra – Rev Noel McGahan P.P.
Parish of Fintona – Rev Padraig McKenna Adm
Parish of Inniskeen – Rev Martin Treanor P.P.
Parish of Irvinestown – Rev Kevin Duffy P.P.
Parish of Killanny – Rev Martin Treanor P.P.
Parish of Killeevan – Rev James Moore P.P.
Parish of Latton – Rev Owen Gorman Adm.
Parish of Lisnaskea – Rev Jimmy McPhillips P.P.
Parish of Magheracloone – Rev Michael Jordan P.P.
Parish of Newtownbutler – Rev Jimmy McPhillips P.P.
Parish of Pettigo – Rev Laurence Flynn Adm.
Parish of Rockcorry – Rev Owen Gorman Adm.
Parish of Roslea – Rev John Chester P.P.
Parish of Tempo – Rev Peter O'Reilly P.P.
Parish of Trillick – Rev Padraig McKenna P.P.
Parish of Tydavnet – Rev Stephen Joyce P.P.
Parish of Tyholland – Rev Patrick McGinn Adm.

16 Government grants

As a result of the impact of the COVID-19 pandemic on the entity, the entity availed of the Temporary Wage Subsidy Scheme and the UK Furlough Scheme in relation to wage subsidies during 2022 and no such subsides were available in 2023. The net subsidies were €Nill in 2023 (2022: €89,309) received by the entity under these schemes have been recorded as other income in the Statement of Financial Activities. At the balance sheet date, the amounts received by the entity in excess of subsidies payable to staff and recognised as a current liability amounted to €Nil (2022: €Nil).

17 Post balance sheet

There have been no significant events since the balance sheet date that need to be disclosed.

18 Significant Contracts

As mentioned in the Trustees Report, the Diocese has committed to the ongoing renovations at St. Macartan's Cathedral. A phased approach has been undertaken in relation to these works as the complete renovations will take years. The Diocese is currently working through "Phase 3", phases 1 and 2 complete and phases 4 to 7 assigned to the future. Phase 3 of the renovation works will cost c€3.5m and at the year-end 31 December 2023, €0.7m had been certified as works completed with the additional €2.8m committed due to be complete in 2024.

19 Approval of financial statements

The financial statements were approved and authorised for issue by the board of trustees on 30 October 2024 and were signed on its behalf on that date.