

**The Parishes of the Diocese of Elphin**  
**Annual Report and Audited Financial Statements**  
**for the financial year ended 31 December 2021**



Porter and Co.  
Millennium House  
Stephen Street  
Sligo  
Republic of Ireland

Charity Number: CHY 6942  
Charities Regulatory Authority Number: 20014018

## **The Parishes of the Diocese of Elphin**

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## The Parishes of the Diocese of Elphin

### REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Number	CHY 6942
Charities Regulatory Authority Number	20014018
Auditors	Porter and Co. Millennium House Stephen Street Sligo Republic of Ireland
Trustees	Bishop Kevin Doran Fr Raymond Milton Canon Liam Devine (retired 28/11/2021) Fr Thomas Hever Fr John McManus (appointed 28/11/2021)
Bankers	Allied Irish Banks Various Branch Addresses  Bank of Ireland Various Branch Addresses  Post Office Various Branch Addresses  Credit Union Various Branch Addresses  Permanent TSB Various Branch Addresses  Ulster Bank Various Branch Addresses

# **The Parishes of the Diocese of Elphin**

## **TRUSTEES' REPORT**

for the financial year ended 31 December 2021

The trustees present their Trustees' Report and the audited financial statements for the financial year ended 31 December 2021.

The financial statements are prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Trustees' Report contains the information required to be provided in the Trustees' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The trustees of the Fund are also charity trustees for the purpose of charity law and under the Charity's constitution are known as members of the board of trustees.

In this report the trustees of The Parishes of the Diocese of Elphin present a summary of its purpose, governance, activities, achievements and finances for the financial year 2021.

The charity is a registered charity and although not obliged to comply with the Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the organisation has implemented its recommendations where relevant in these financial statements.

### **Background**

The Diocese of Elphin includes much of Co. Sligo, most of Co. Roscommon and also part of East Galway and has a Catholic population of almost 90,000. There are thirty eight parishes in the Diocese. While this appears to be an increase of one by comparison with the previous year, this simply represents a recognition that a canonical amalgamation which appeared to have been carried out some ten years ago, was not actually completed. This does not represent any change on the previous year. Eight of the parishes are paired, with each pair being cared for by one parish priest.

These parishes, together with a number of chaplaincies, are served by sixty three priests. There are also eight permanent deacons whose ministry is largely voluntary. While the public profile of the parish is associated with the celebration of the Mass and the Sacraments, other key activities include the pastoral care of the sick and bereaved, and to the poor, faith development activities, and a significant engagement with children and their families through the medium of the parish schools. There are a total of eighty seven churches many of which are protected structures. In addition, there are 107 parish primary schools.

Under the heading of CHY6942, in addition to the Parishes of the Diocese, there are also included a small number of semi-autonomous agencies, including one Family Life Centre, the Star of the Sea Retreat Centre, the Chaplaincy at Sligo University Hospital, the Lourdes Pilgrimage and a community of Sisters exercising ministry at Diocesan level.

The accounts presented for 2021 are in the form of a consolidation of the income and expenditure of the individual parishes and agencies of the diocese. This is seventh consecutive year in which a full audit has taken place. The Diocese continues to update Financial and Human Resources policies, and new versions of the Administrative Guidelines for parishes was promulgated in 2020. Significant progress has been made in the year under review in analysing parochial income and expenditure. This has made it possible to provide parish priests and their finance councils with clear indications of the areas for growth and improvement in the management of income and expenditure. All parishes operate a system of dual authorisation and most have introduced the practice of providing annual financial reports to parishioners. Parishes have achieved high levels of compliance with financial controls. Real-time accounting still presents a challenge for many.

The complexity of the Charity and its significant dependence on volunteers makes us all the more aware of the need for internal audit, not only to protect the Charity itself, but also to protect the volunteers. We welcome the very generous engagement of lay volunteers with the requirements of the Charities Act.

The current Trustees are set out on page 3. One Trustee, Canon Liam Devine, on resigning as Vicar General in November 2021, was replaced by Fr. John McManus, both as Vicar General and, ex officio, as a Trustee.

# The Parishes of the Diocese of Elphin

## TRUSTEES' REPORT

for the financial year ended 31 December 2021

### Sources of Income

The income of the parishes derives primarily, as can be seen, from the contributions of the faithful in the Sunday collection, described in the financial statements as Parish Offertory Collections. Following a decline in income in 2020, due to the impact of COVID-19, the generosity of parishioners has seen an improvement of circa €206k in the year under review, notwithstanding the fact that restrictions imposed on gatherings of the faithful remained in place until May 2021.

Some parishes receive income from the rental of properties and bequests, but this is minimal. Indeed, many parishes see it as part of their mission to support the building of community by making vacant properties available for the use of community groups at a nominal cost. This works well enough if the building is run by a parish committee which is answerable to the parish finance council. On occasion, however, the occupier / user ceases to be accountable to the parish and this can present difficulties, if there is no formal legal agreement in place, as was often the practice in the past. The current Diocesan policy is to ensure that a lease or license is in place to clarify the relationship between the occupier and the parish. There has been resistance to this in some quarters.

Parish income is primarily categorised under two headings as follows:

- a) Income to support the day to day mission of the parishes was €2,522,724 in 2021, reflecting an increase of circa 9% on the previous year. This income is applied to fund the supplies, heat and light, insurances, administrative costs and the maintenance of buildings. This income also provides for the payment of:
  - a diocesan needs levy to the Diocese of Elphin (CHY 3703), which is normally calculated as 15% of the operational income of the parish for the year under review. This is intended to cover the costs of Diocesan Administration and the provision of a range of central services for the benefit of all the parishes of the diocese.
  - certain expenses of the priest, including health insurance, motor tax and insurance.
- b) Income collected specifically for the support of the priest(s) of the parish. It includes a single special collection at Christmas, Easter, Pentecost and on one weekend in November, together with the offerings which may be made on the occasions of Baptisms, Marriages, Funerals and Stations (the latter being replaced in some parishes by a Harvest collection).

The annual income for each priest is determined from time to time by the Bishop in consultation with the Council of Priests. The base income amounted to €21,004 per annum for Parish priests and €19,732 for Curates. Even while public mass was suspended, many parishioners continued to make contributions, but the impossibility of gathering for five of the twelve months did have a significant impact on income. The clergy income came to a total of €1,080,746, and improvement of circa €221,000 on the previous year, but still more than €100,000 less than the most recent "normal" year (2019).

During the entire period of COVID-19, priests continued to provide essential pastoral care to parishioners, and to celebrate the liturgy on-line. Priests were not in a position to benefit from any of the Government income-support schemes during the period of the COVID-19 pandemic. During the year under review, in a small number of parishes, it was necessary to provide a subvention from parish reserve funds to provide for the agreed minimum income of the priest. This was done in consultation with Parish Finance Councils and is in keeping with published Diocesan policy.

In parishes where the income exceeds the minimum required for the support of the priests, 40% of the surplus is shared between the priests of the parish and 20% is ceded by the priests of the parish on a voluntary basis to each of the following:

- The Diocese of Elphin Sick and Retired Priests Welfare Fund (known generally as the Sick and Retired Priests Fund), which is reported as a separate charity (CHY 2740).
- The Welfare Fund, which provides support for priests who are not in parochial ministry and for continuing professional development of clergy. This fund is consolidated with the accounts of the Diocese of Elphin General Trust Fund (CHY3703).
- The Stewardship Fund, which covers a significant portion of the costs associated with operating the safeguarding service of the diocese. This fund is also consolidated with the accounts of the Diocese of Elphin General Trust Fund (CHY 3703).

# **The Parishes of the Diocese of Elphin**

## **TRUSTEES' REPORT**

for the financial year ended 31 December 2021

Notwithstanding the overall reduction in clergy income, each of those funds received between €36k and €107k in the year under review.

NOTE: The use of the word Welfare in the names of two of the funds is a legacy of history but they serve two different purposes.

In addition to the above, on a combined basis, the Parishes are in receipt of Revenue Commissioner Rebates amounting to €520k for the year under review, which comprise tax relief on donations received together with amounts received under the VAT compensation scheme for charities and employment wage subsidies.

The remaining income of the Parishes include insurance claims in relation to property, receipt of charitable funds administered by the Parishes (Trocaire etc), and other income as described in more detail at Note 3 to the financial statements.

### **Restricted Funds**

As this Charity consolidates the accounts of a large number of entities, the funds of each parish or entity are treated as restricted, with respect to the others.

Annual collections are taken up in all of the parishes for agencies which do not belong to the diocese, but which are associated with the mission of the Church, e.g, Trocaire (the Catholic Agency for Development), Migrants, Peter's Pence (Pontifical Charities) and Holy Places. These collections are transferred directly to the relevant agency via the Elphin Diocesan Office, before the end of the financial year, using an account which is designated for this specific purpose. These monies are shown as part of the income of the parish, described as Administration of Charitable funds. Much of this income is designated specifically to alleviate poverty and disadvantage. The total of such restricted funds, in the year under review, amounted to €209,863, more than double the figure for the previous year.

### **Expenditure**

As might be expected, over one third of the expenditure is in personnel costs. While the majority of this related to the modest income of the clergy, there are significant further personnel costs relating to the provision of lay staff, including parish secretaries and sacristans, together with personnel engaged by the Family Life Centre and the Retreat Centre. With the reduction in the numbers of clergy, provision will need to be made for more administrative staff in the future, and this will be one substantial draw on the financial reserves of the parishes. Many staff, regrettably, had to be temporarily laid off due to COVID-19 restrictions, and availed of PUP. It should be acknowledged that these employed staff are backed up in many parishes by volunteers who carry out similar roles. Once public Mass resumed, many additional volunteers were required to manage the safe return of congregations.

As in previous years, the second largest cost across all of the parishes is the cost of repairs and refurbishment. This comes to a total of €1,078,236 (representing a reduction as compared to the previous year). While much of this is planned refurbishment, a certain amount of unplanned expenditure must be budgeted for, given the age of most of the buildings that are in service throughout the diocese.

Diocesan policy is to dispose responsibly of property (other than Churches) for which there is no use within the foreseeable future, thereby reducing maintenance and insurance costs.

### **Financial Review**

The results for the financial year are set out on page 12 and additional notes are provided showing income and expenditure in greater detail.

Total income of the fund for the financial year ending 31st December 2021 was €5,661,163, representing an increase of circa €500,000 by comparison with the previous year. This increase reflects an increase in activity and the beginning of a resumption of Public Pastoral life in May of 2021.

Total expenditure in the year under review amounted to €5,513,712, representing an increase of circa €183,000 by comparison with the previous year. This reflects the return of the Diocesan needs levy to 93.5% of the normal rate, together with increased staff salaries and utility costs associated with a return to more normal levels of activity in the second half of the year.

The results for the year also include gains on investments held by the Fund, which amounted to €417,894, a substantial improvement on the previous year.

## **The Parishes of the Diocese of Elphin TRUSTEES' REPORT**

for the financial year ended 31 December 2021

The net result for the financial year, including the gain on investments, was a surplus of €565,345, reflecting an improvement of circa €647,000 over the previous year. This surplus did include a figure of €91,344 realised from the sale of properties.

The Parishes of the Diocese of Elphin can continue to operate as a going concern. It must be acknowledged, however, that this is largely due to the generosity of a minority of parishioners. The actual contribution rate from parishioners ranges from 10% of families in some urban areas to 40% in some rural communities.

The contributions made by parishioners are totally voluntary. It is part of the ethos of the Catholic Church that no individual will be refused access to the ministry or services of the Church because of inability to pay. While there is undoubtedly some decline in regular sacramental practice, it must be said that significant numbers of those who do make use of parish services and facilities do not contribute regularly. Notwithstanding this, the mission of the Church, both to practicing Catholics and to the wider community of the Baptised must continue. Parishes, together with the services they provide, are greatly dependent on the generosity of the minority.

The availability of a full audit report allows us to gain a broad overview of the finances of all the parishes and agencies. While some of the parishes recorded a deficit for the year under review, this is related in most cases to planned development or emergency repairs and is being managed in accordance with an agreed plan. Most of the parishes have some level of surplus cash, which is not inconsistent with the need to be in a position to respond to unforeseen costs, particularly in respect of the maintenance of buildings. There is scope for some parishes, out of their surplus, to contribute to new pastoral initiatives or to easing the burden on Parishes which are more heavily burdened.

# **The Parishes of the Diocese of Elphin**

## **TRUSTEES' REPORT**

for the financial year ended 31 December 2021

### **Results**

At the end of the financial year the charity has assets of €30,887,025 (2020 - €30,477,228) and liabilities of €475,993 (2020 - €634,015). The net assets of the charity have increased by €565,347. Of the charity's assets, €19,475,341 are fixed assets and €11,411,684 are current assets. As set out in further detail below, the assets at 2020 have been restated.

### **Assets**

The asset value for 2021 may give rise to some surprise, given that the fixed assets of the charity were given as only €511,762 in 2020. These assets have been restated in these financial statements. While the book value of the fixed assets has increased since the previous year's report, this does not reflect any increase in actual assets, but rather the completion of a five year long exercise aimed at identifying and appropriately valuing the properties of the Parishes.

Some of these properties, such as stand-alone parochial houses and lands are valued at fair value, as estimated by the Trustees. Other properties such as Churches, many of which are very old and, often are protected structures, are valued on the basis of discounted insurance valuation. This is because, while they would cost large amounts to rebuild if destroyed by fire, for example, they have little or no re-sale value. The same applies to parochial houses which are joined to or within the curtilage of a Church.

The trustees are happy to note that the audit report this year is unqualified, due to the significant work that has been done over the past number of years to arrive at the completion of a register of fixed assets for the Parishes of the Diocese of Elphin. We believe that we have now identified and valued all the buildings and lands that are owned by the parishes.

Catholic Primary Schools under diocesan patronage have traditionally benefitted from the charitable status of the parish with which they are affiliated. This dates from a time when the Parish Priest was the sole manager of the primary school. These schools, while remaining under the patronage of the bishop, now have their own Boards of Management which are responsible for all the financial operations of the school. School properties, while they form part of the fixed assets of the Diocese, are given a nil value, as they are on long-term rent-free leases to the Department of Education.


Most second level schools are not under the patronage of the bishop, but the exceptions are the three diocesan colleges. These, like the primary schools have their own Boards of Management which are responsible for all the financial operations of the school, but the buildings and lands of these schools form part of the fixed assets of the Diocese. There will be significant costs to the Diocese related to the demolition of a derelict building on the site of the College Building at Summerhill Athlone (Coláiste Chiaráin) and the funding of an oratory in the new school. These costs will be reflected in due course in the accounts of the Elphin Diocesan Trust Fund (CHY3703) for 2022 and 2023.

### **Compliance with Sector-Wide Legislation and Standards**

The charity engages pro-actively with legislation, standards and codes which are developed for the sector. The Parishes of the Diocese of Elphin subscribes to and is compliant with the Charities SORP (FRS102).

The Charity is in compliance with the Charities Governance Code and the Trustees of the Charity have completed the Compliance Record Form for 2021.

**Approved by the Board of Trustees on 28<sup>th</sup> October 2022 and signed on its behalf by:**

  
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**The Parishes of the Diocese of Elphin**  
**TRUSTEES' RESPONSIBILITIES STATEMENT**  
for the financial year ended 31 December 2021

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

The law applicable to charities in the Republic of Ireland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the assets, liabilities and financial position of the charity as at the financial year end date and of the surplus or deficit of the charity and otherwise comply with the Charities Act, 2009.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees confirm that they have complied with the above requirements in preparing the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2009 and the provisions of the charity's constitution and rules. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 28<sup>th</sup> October 2022 and signed on its behalf by:

  
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# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of The Parishes of the Diocese of Elphin**

### **Report on the audit of the financial statements**

We have audited the charity financial statements of The Parishes of the Diocese of Elphin for the financial year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

### **Opinion**

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the charity as at 31 December 2021 and of its deficit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP;

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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.

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 when the financial statements are authorised for issue.

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

### **Other Information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

### **Opinions on other matters prescribed by the Companies Act 2014**

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the charity were sufficient to permit the financial statements to be readily and properly audited. In our opinion the financial statements are in agreement with the accounting records.

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of The Parishes of the Diocese of Elphin**

### **Respective responsibilities**

#### **Responsibilities of trustees for the financial statements**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and 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, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's 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 Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### **Further information regarding the scope of our responsibilities as auditor**

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the charity's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the charity and the charity's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Thomas Anthony Porter**

**PORTER AND CO.**

Millennium House

Stephen Street

Sligo

Dated this 28<sup>th</sup> day of October 2022

# The Parishes of the Diocese of Elphin


## STATEMENT OF FINANCIAL ACTIVITIES

for the financial year ended 31 December 2021

		Restricted Funds 2021	Total 2021	Restricted Funds 2020 (Restated)	Total 2020 (Restated)
		€	€	€	€
	Notes				
<b>Income:</b>					
Charitable Activities	3.1	4,997,961	4,997,961	4,606,416	4,606,416
Donations and legacies	3.2	280,963	280,963	108,674	108,674
Other Trading Activities	3.3	237,687	237,687	287,423	287,423
Investments	3.4	53,208	53,208	57,423	57,423
Other – Sale of Fixed Assets	3.5	91,344	91,344	45,989	45,989
		<u>5,661,163</u>	<u>5,661,163</u>	<u>5,105,925</u>	<u>5,105,925</u>
<b>Expenditure:</b>					
Charitable Activities	4.1	5,289,177	5,289,177	5,149,171	5,149,171
Cost of raising funds	4.2	166,228	166,228	132,715	132,715
Other costs	4.3	58,307	58,307	48,852	48,852
		<u>5,513,712</u>	<u>5,513,712</u>	<u>5,330,738</u>	<u>5,330,738</u>
<b>Net surplus/(deficit) before gain on investments</b>		<b>147,451</b>	<b>147,451</b>	<b>(224,813)</b>	<b>(224,813)</b>
Net gain on investments	5	417,894	417,894	143,465	143,465
		<u>565,345</u>	<u>565,345</u>	<u>(81,348)</u>	<u>(81,348)</u>
<b>Net surplus / (deficit)</b>		<b>565,345</b>	<b>565,345</b>	<b>(81,348)</b>	<b>(81,348)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		29,843,213	29,843,213	29,924,561	29,924,561
		<u>30,408,558</u>	<u>30,408,558</u>	<u>29,843,213</u>	<u>29,843,213</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the financial year.  
All income and expenditure relate to continuing activities.

Approved by the Board of Trustees on 28<sup>th</sup> October 2022 and signed on its behalf by:


  
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**The Parishes of the Diocese of Elphin**  
**BALANCE SHEET**  
as at 31 December 2021

		Restricted Funds 2021 €	Total 2021 €	Restricted Funds 2020 (Restated) €	Total 2020 (Restated) €
	Notes				
<b>Fixed assets:</b>					
Tangible assets	6	19,475,341	19,475,341	19,473,617	19,473,617
<b>Current assets:</b>					
Investments	7	3,308,584	3,308,584	2,242,608	2,242,608
Cash at bank and in hand	8	7,949,496	7,949,496	8,595,393	8,595,393
Debtors and prepayments	9	153,604	153,604	165,610	165,610
		11,411,684	11,411,685	11,003,611	11,003,611
Creditors: (amounts falling due within one year)	10	(475,993)	(475,993)	(634,015)	(634,015)
Net current assets		10,935,691	10,935,691	10,369,596	10,369,596
Total assets less current liabilities		30,411,032	30,411,032	29,843,213	29,843,213
Government Grants	11	(2,474)	(2,474)	-	-
Total net assets		30,408,558	30,408,558	29,843,213	29,843,213
<b>The Funds of the Charity</b>					
<b>General Funds</b>	12	30,408,558	30,408,558	29,843,213	29,843,213

Approved by the Board of Trustees on 28<sup>th</sup> October 2022 and signed on its behalf by:

  
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# **The Parishes of the Diocese of Elphin**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 December 2021

### **1. GENERAL INFORMATION**

The Parishes of the Diocese of Elphin is a charity established in the Republic of Ireland. The registered office of the charity is St Mary's, Temple Street, Sligo, which is also the principal place of business of the charity. The financial statements have been presented in Euro (€) which is also the functional currency of the charity.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

#### **Basis of preparation**

The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland.

#### **Statement of compliance**

The financial statements of the charity for the financial year ended 31 December 2021 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

#### **Fund accounting**

The following are the categories of funds maintained:

##### **Restricted funds**

Restricted Funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the charity.

Each Parish is an individual and autonomous entity, with the Parish Priest being the Trustee. Accordingly, Parish funds are restricted to the use of the individual Parish unless otherwise agreed as is the case with regard to Diocesan levies. On this basis, all funds included in these financial statements are regarded as Restricted Funds.

##### **Unrestricted funds**

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the charity.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

As these financial statements represent the consolidation of the funds of the Parishes of the Diocese, which by their nature are restricted to the Parish, there are no unrestricted funds.

##### **Income**

Income is recognised by inclusion in the Statement of Financial Activities only when the charity is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved are measured with sufficient reliability and it is probable that the income will be received by the charity.

# **The Parishes of the Diocese of Elphin**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 December 2021

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### **Charitable Activities**

Income from Charitable Activities, including Parish Offertory Collections, Income designated for the support of Clergy, Shrines and income from other charitable activities is 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, contribution, collection or stipend is unrestricted, the income is included in the Statement of Financial Activity when received or receivable.

Where income is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the charity is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the charity is meeting the core objectives of a grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

- Time based conditions: whereby the charity is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the charity recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the charity is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

### **Legacies and Bequests**

For legacies, 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 legacies 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 legacy is treated as a contingent asset and disclosed if material.

### **Income from Trading Activities**

Income from Trading Activities is recognised as the income falls due.

### **Income from Investments**

Income from bank interest receivable, shares and investments and rental income is recognised as the income falls due.

### **Other Income**

Other income relates to the sale of Parish properties which is recognised when the parish property is sold and the Parish is contractually entitled to the sales proceeds.

### **Expenditure**

Expenditure is analysed between costs of charitable activities, raising funds and other costs. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the charity but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

### **Tangible fixed assets and depreciation**

Land is stated at the Trustee's estimated fair value, based on relevant benchmark data for the location of each property.

Freehold Buildings:



**The Parishes of the Diocese of Elphin**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2021

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- Church Properties are included based on the discounted insurance value of these assets to arrive at estimated acquisition cost. This estimated cost is depreciated over the buildings' estimated useful life to arrive at current net book value. This does not reflect the market value or insurance value of these assets.
- Freehold buildings acquired in recent years, where the relevant information is available, are stated at cost or valuation net of depreciation and any provision for impairment.
- Residential Properties, consisting principally of Presbytery and Parochial House Properties, which are located outside the curtilage of Church grounds are stated at fair value, as estimated by the Trustees.
- Residential Properties which are located within the curtilage of Church Grounds are included based on the discounted insurance value of these assets, to arrive at estimated acquisition cost. This estimated cost is depreciated over the buildings' estimated useful life to arrive at current net book value. This does not reflect the market value or insurance value of these assets.
- School Properties which are on long-term lease arrangements with the Department of Education are valued at "nil".
- Properties which were previously operated as Schools by the Department of Education and which have now ceased to be used for this purpose, have been stated at fair value, as estimated by the Trustees or at cost, where this information is available.
- Hall and Community Properties are stated at cost less depreciation. Where historic cost information is not available, the assets have been included based on their discounted insurance value to arrive at estimated acquisition cost. This estimated cost is depreciated over the buildings' useful life to arrive at current net book value. This does not represent the market value or insurance value of these assets.
- Commercial Property is stated at fair value.

The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land freehold	- 0% Straight line
Buildings	- 1% - 2% Straight line
Fixtures, fittings and equipment	- 20% Straight line

**Investments**

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

**Debtors**

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the charity from donors, tenants and Parishes, but not yet received at financial year end, is included in debtors.

**Cash at bank and in hand**

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

**Taxation and deferred taxation**

No current or deferred taxation arises as the charity has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

**Trade and other payables**

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.



**The Parishes of the Diocese of Elphin**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2021

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**3. INCOME**

	Restricted Funds 2021 €	Total 2021 €	Restricted Funds 2020 €	Total 2020 €
<b>3.1 Charitable Activities</b>				
Parish Offertory Collections	2,522,724	2,522,724	2,316,607	2,316,607
Collections designated for Renovation of Church Properties	81,428	81,428	90,669	90,669
Income designated for the support of Clergy Shrines	1,080,746	1,080,746	859,865	859,865
Public and Heritage Grant Assistance	337,678	337,678	279,835	279,835
Revenue Commissioner Rebates	25,134	25,134	45,673	45,673
Sundry	520,518	520,518	558,346	558,346
HSE Chaplaincy	3,774	3,774	5,729	5,729
Insurance claim	15,000	15,000	15,000	15,000
Graves and Cemetery upkeep	73,600	73,600	207,491	207,491
Parish History Book, newsletters, books etc	33,490	33,490	20,044	20,044
Lourdes Pilgrimage income	5,238	5,238	10,832	10,832
Family Life Centre operating income	1,810	1,810	4,630	4,630
Diocesan Office levy contribution	1,877	1,877	2,570	2,570
Sick and Retired Priests Fund contributions	37,128	37,128	46,721	46,721
Special collections and levies	30,248	30,248	20,006	20,006
Administration of charitable funds	17,705	17,705	20,424	20,424
	209,863	209,863	101,974	101,974
	<u>4,997,961</u>	<u>4,997,961</u>	<u>4,606,416</u>	<u>4,606,416</u>
<b>3.2 Donations and legacies</b>				
Donations and bequests	280,963	280,963	108,674	108,674
	<u>280,963</u>	<u>280,963</u>	<u>108,674</u>	<u>108,674</u>
<b>3.3 Other Trading Activities</b>				
Carpark	54,567	54,567	69,163	69,163
Hall Income	54,988	54,988	65,583	65,583
Retreat Centre operating income	126,092	126,092	31,620	31,620
Fund Raising Events and Raffles	2,040	2,040	121,057	121,057
	<u>237,687</u>	<u>237,687</u>	<u>287,423</u>	<u>287,423</u>
<b>3.4 Investments</b>				
Bank Interest	510	510	964	964
Income from shares and investments	3,841	3,841	1,439	1,439
Property rental income	48,857	48,857	55,020	55,020
	<u>53,208</u>	<u>53,208</u>	<u>57,423</u>	<u>57,423</u>
<b>3.5 Other</b>				
Sale of Parish Property	91,344	91,344	45,989	45,989
	<u>91,344</u>	<u>91,344</u>	<u>45,989</u>	<u>45,989</u>

**The Parishes of the Diocese of Elphin**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2021

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**4. EXPENDITURE**

	Restricted Funds 2021 €	Total 2021 €	Restricted Funds 2020 (Restated) €	Total 2020 (Restated) €
<b>4.1 Charitable Activities</b>				
<i>Personnel costs:</i>				
Clergy Stipends	1,105,138	1,105,138	1,056,027	1,056,027
Ancillary Parish salaries and stipends	620,576	620,573	598,241	598,241
Family Life Centre staff costs	2,320	2,320	4,204	4,204
	<u>1,728,034</u>	<u>1,728,034</u>	<u>1,658,472</u>	<u>1,658,472</u>
Repairs, refurbishment and maintenance	1,078,236	1,078,236	1,394,547	1,394,547
Heat, light and power	512,387	512,387	476,529	476,529
Insurances (Parish, VHI, motor)	486,046	486,046	477,185	477,185
Altar supplies	173,720	173,720	154,816	154,816
Missalettes and newsletters	49,822	49,822	66,700	66,700
Lourdes Pilgrimage costs	-	-	-	-
Postage and stationery	103,486	103,486	104,580	104,580
Telephone	102,555	102,555	83,737	83,737
Sundry expenses	7,608	7,608	8,691	8,691
Local Property Tax	11,678	11,678	11,239	11,239
Rates and water charges	9,664	9,664	9,158	9,158
Rent	17,740	17,740	33,910	33,910
Donations, sponsorships and retreats	69,079	69,079	82,980	82,980
Bank charges	30,230	30,230	30,840	30,840
Diocesan Office levies	418,532	418,532	227,211	227,211
Contribution to Sick and Retired Priests Fund	107,298	107,298	49,508	49,508
Contribution to Welfare Fund	35,919	35,919	40,525	40,525
Contribution to Stewardship Fund	39,918	39,918	44,525	44,525
Special collections and levies	14,882	14,882	19,541	19,541
Administration of charitable funds	210,245	210,245	102,101	102,101
Depreciation	82,098	82,098	72,376	72,376
	<u>5,289,177</u>	<u>5,289,177</u>	<u>5,149,171</u>	<u>5,149,171</u>
<b>4.2 Cost of raising funds</b>				
Retreat Centre staff costs	61,934	61,934	21,668	21,668
Retreat Centre operating costs	68,321	68,321	51,773	51,773
Parish hall costs	26,988	26,988	28,362	28,362
Fundraising, prizes etc	260	260	16,125	16,125
Investment management fees	8,725	8,725	14,787	14,787
	<u>166,228</u>	<u>166,228</u>	<u>132,715</u>	<u>132,715</u>
<b>4.3 Other costs</b>				
Professional fees	38,873	38,873	29,418	29,418
Audit fees	19,434	19,434	19,434	19,434
	<u>58,307</u>	<u>58,307</u>	<u>48,852</u>	<u>48,852</u>

**The Parishes of the Diocese of Elphin**  
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**5. NET GAIN ON INVESTMENTS**

	Restricted Funds 2021 €	Total 2021 €	Restricted Funds 2020 €	Total 2020 €
Realised gain on investments	183,894	183,894	143,465	143,465
Unrealised gain on investments	234,000	234,000	-	-
	<u>417,894</u>	<u>417,894</u>	<u>143,465</u>	<u>143,465</u>

**The Parishes of the Diocese of Elphin**  
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**6. TANGIBLE FIXED ASSETS**

	Land	Buildings	Fixtures, Fittings & Equipment	Total
	€	€	€	€ €
<b>Cost</b>				
At 1 January 2021	4,596,701	54,580,426	7,138	59,184,265
Additions	6,650	39,675	37,497	83,822
At 31 December 2021	<u>4,603,351</u>	<u>54,620,101</u>	<u>44,635</u>	<u>59,268,087</u>
<b>Depreciation</b>				
At 1 January 2021	-	39,710,648	-	39,710,648
Additions	-	73,170	8,928	82,098
At 31 December 2021	-	<u>39,783,818</u>	<u>8,928</u>	<u>39,792,746</u>
<b>Net book value</b>				
At 31 December 2021	<u>4,603,351</u>	<u>14,836,283</u>	<u>35,707</u>	<u>19,475,341</u>
At 31 December 2020	<u>4,596,701</u>	<u>14,869,778</u>	<u>7,138</u>	<u>19,473,617</u>

**6.1 TANGIBLE FIXED ASSETS PRIOR FINANCIAL YEAR (RESTATED)**

	Land	Buildings	Fixtures, Fittings & Equipment	Total
	€	€	€	€ €
<b>Cost</b>				
At 1 January 2021	4,596,701	54,314,899	7,138	58,918,738
Additions	-	265,527	-	265,527
At 31 December 2021	<u>4,596,701</u>	<u>54,580,426</u>	<u>7,138</u>	<u>59,184,265</u>
<b>Depreciation</b>				
At 1 January 2021	-	39,638,272	-	39,638,272
Additions	-	72,376	-	72,376
At 31 December 2021	-	<u>39,710,648</u>	-	<u>39,710,648</u>
<b>Net book value</b>				
At 31 December 2021	<u>4,596,701</u>	<u>14,869,778</u>	<u>7,138</u>	<u>19,473,617</u>
At 31 December 2020	<u>4,596,701</u>	<u>14,676,627</u>	<u>7,138</u>	<u>19,280,466</u>

**The Parishes of the Diocese of Elphin**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>7. INVESTMENTS</b>	2021 €	2020 €
Quoted investments at valuation – Restricted Funds	<u>3,308,584</u>	<u>2,242,608</u>
<b>8. CASH AND CASH EQUIVALENTS</b>	2021 €	2020 € (Restated)
Cash and bank balances – Restricted Funds	<u>7,949,496</u>	<u>8,595,393</u>
<b>9. DEBTORS</b>	2021 €	2020 €
Receivables and prepayments – Restricted Funds	<u>153,604</u>	<u>165,610</u>
<b>10. CREDITORS (Amounts Falling Due Within One Year)</b>	2021 €	2020 €
Diocesan Building Fund- Restricted	166,545	277,768
Creditors and accruals	309,448	356,247
	<u>475,993</u>	<u>634,015</u>
<b>11. GOVERNMENT GRANTS DEFERRED</b>	2021 €	2020 €
At beginning of year	-	-
Received during the year	3,092	-
At 31 December 2021	<u>3,092</u>	<u>-</u>
At beginning of year	-	-
Amortised in financial year	618	-
At 31 December 2021	<u>618</u>	<u>-</u>
<b>Net book value</b>		
At 31 December 2021	<u>2,474</u>	<u>-</u>
At 31 December 2020	<u>-</u>	<u>-</u>

**The Parishes of the Diocese of Elphin**  
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**12. FUNDS**

**12.1 RECONCILIATION OF MOVEMENT IN FUNDS**

	Restricted Funds €	Total Funds €
At 1 January 2020	29,924,561	29,924,561
Deficit for year	(81,348)	(81,348)
At 31 December 2020	29,843,213	29,843,213
Movement during the financial year	565,345	565,345
At 31 December 2021	<u>30,408,558</u>	<u>30,408,558</u>

**12.2 ANALYSIS OF MOVEMENTS ON FUNDS**

	Balance 1 January 2021 €	Income €	Expenditure €	Gain on investments €	Balance 31 December 2021 €
<b>Restricted funds</b>					
Restricted General	29,843,213	5,661,163	5,513,712	417,894	30,408,558
<b>Total funds</b>	<u>29,843,213</u>	<u>5,661,163</u>	<u>5,513,712</u>	<u>417,894</u>	<u>30,408,558</u>

**12.3 ANALYSIS OF NET ASSETS BY FUND**

	Fixed Assets €	Current Assets €	Current Liabilities €	Government Grants €	Total €
Restricted general funds	19,475,341	11,411,684	475,993	2,474	30,408,558
	<u>19,475,341</u>	<u>11,411,684</u>	<u>475,993</u>	<u>2,474</u>	<u>30,408,558</u>

**13. POST-BALANCE SHEET EVENTS**

There have been no significant events affecting the Charity since the financial year-end.

**14. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Board of Trustees on 28<sup>th</sup> October 2022.