

**THE DIOCESE OF ELPHIN GENERAL TRUST FUND**



**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2017**

**CHY 3703 / Registered Charity No 20004729**

**THE DIOCESE OF ELPHIN GENERAL TRUST FUND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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## THE DIOCESE OF ELPHIN GENERAL TRUST FUND

### REPORT OF THE TRUSTEES

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The Diocese of Elphin General Trust comprises the central administration of the Diocese of Elphin, together with the various offices and agencies which provide central services to the parishes of the diocese. 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. Most of the pastoral activity of the Diocese actually takes place under the auspices of the individual parishes and has been reported under that Charity (CHY 6942).

This is the third year in which a full audit of the Diocese of Elphin General Trust Fund has taken place.

The regular income of the Diocese of Elphin General Trust Fund comes from two principal sources.

- a) A "diocesan needs levy" on each of the parishes of the diocese. Historically this has been based on the number of families in the parish. This remains the case for 2017, but from 2018 onwards, it will be assessed as a percentage of the operational income of the parish for the last year form which audited accounts are available
- b) An annual income deriving from investments and bequests

The expenditure of the Elphin Diocesan Trust Fund includes the running costs of the central office of the Diocese, the Diocesan Pastoral and Faith Development Service, the Elphin Youth and Young-adult Ministry, the Diocesan Safeguarding Service, the Diocesan Education Office, the Diocesan Vocations Service, the formation of seminarians, deacons and catechists, as well as partial funding of the services provided by Accord.

Staff salaries and stipends are included in the accounts of the fund. The income of the central office staff is included under the "Salaries" heading in the accounts, while the income of three others

- Director of Safeguarding,
- Director of Vocations and Youth Ministry,
- Director of Pastoral and Faith Development Services – including Secondary RE Advisory Service

is accounted for under the costs of the particular service to which they are allocated. The fund also provides stipends and expenses for four part-time staff members, who provide professional services in the areas of education and safeguarding.

A reduction in the number of seminarians in formation during 2017, resulted in a corresponding reduction in the cost (down €10,000) on 2016. Associated expenses are the costs of the Vocations Service (down by €5,000) in the year under review. With the formation of a new team and increased activity, it is anticipated that this will rise in 2018. The arrival and induction of three priests from overseas in 2017 (as against two in 2016) accounts for the increased costs under this heading.

## THE DIOCESE OF ELPHIN GENERAL TRUST FUND

### REPORT OF THE TRUSTEES

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The *Partners in the Gospel Programme*, for the formation of volunteer Diocesan Catechists, is costed for each academic year (from August to July). Each academic year is broken over two financial years. While the costs *per capita* were higher in 2017, now that students had completed the preliminary stage and begun the programme proper, the overall costs were lower than budgeted for due to some students having discontinued. This is the normal pattern in third level programmes. A new cost in 2017 was the establishment of a community of Servant Sisters of the Home of the Mother, whose charism includes ministry to young people and the promotion of Eucharistic adoration.

#### *The Relief of Poverty and other Special Projects*

During the year under review, the Diocese of Elphin made direct contributions totalling €18,550 to various charities for the alleviation of poverty, both in Ireland and overseas.

During the same period, however, the people of the Diocese, contributed a total of €265,522 to organisations such as Trocaire, Peter's Pence (Pontifical Charities), Emigrant Services, overseas Missions, and to the Holy Places (Christian community in the Holy Land). This represents a very significant increase of almost 30% on the previous year. These contributions do not appear in the income and expenditure accounts of the Diocese of Elphin General Trust Fund, since the money does not belong at any stage to the Diocese. The contributions are collected in the parishes on behalf of the charities concerned and remitted to them via the Diocesan Office, passing into and out of the designated account of the diocese in the same tax year. Similarly, special collections for the World Meeting of Families were taken up in the parishes and passed on via the Diocese to the relevant charity.

In addition, it should be mentioned that the annual Christmas collection taken up in the Churches of the diocese for the Society of St. Vincent de Paul are accounted for directly by the local members of SVP, which is a separate charity. The Diocese does not have a record of the amounts involved.

#### *National Pastoral Services*

The Diocese of Elphin General Trust Fund, through the medium of levies and direct payments for service, contributes towards the cost of pastoral services established at provincial and national level, including Cura, the Galway Regional Marriage Tribunal as well as the councils and commissions of the Episcopal Conference. The cost to the Diocese for these National Pastoral Services (Commissions and Agencies of the Episcopal Conference) is not covered by the corresponding collection in the parishes and the resulting loss is almost €40k. New arrangements have been made to offset this, by including the cost in the Diocesan Needs Levy, beginning in 2018.

#### *Exceptional Income and Improved Operational Results provide an Uplift*

The accounts for the year under review, in relation to the ordinary operations of the Diocese, show an excess of expenditure over income which, though significant, is reduced by 30% on the excess in the previous year. When exceptional income and expenditure are taken into account, the Trust Fund shows a net surplus of just over €236k, and an overall improvement of €537k on the previous year.

## THE DIOCESE OF ELPHIN GENERAL TRUST FUND

### REPORT OF THE TRUSTEES

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#### *Funding of New Educational Projects:*

The largest single item of exceptional income in the year under review was the proceeds from the sale of the old Summerhill College campus. As indicated in the statement issued at the time of the sale, it was decided, in consultation with the Diocesan Finance Council, that it would be most appropriate to designate the funds realised by the sale to the funding of projects consistent with the original purpose of the College. The funds have, accordingly, been allocated to:

- the *Partners in the Gospel Programme* for the formation of parish catechists
- supporting the mission of the Servant Sisters with young people and in the use of social communications to promote the Gospel, and
- supporting the provision of a chaplaincy service in the three Diocesan Secondary schools, Coláiste Chiaráin, St. Cuan's College, and the College of the Immaculate Conception, Summerhill over the next three to four years.

#### *Investments*

The Diocese of Elphin General Trust Fund does have some investments which are carefully managed as an essential reserve to meet the cost of projects such as those described above and also to respond to unforeseen demands such as might be expected to arise in these uncertain economic times. Investment income remained low in 2017, but showed a slight improvement on 2016.

On behalf of the Trustees



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Bishop Kevin Doran

Dated this 26th day of October 2018

## THE DIOCESE OF ELPHIN GENERAL TRUST FUND

### TRUSTEES' RESPONSIBILITIES STATEMENT

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

Irish legislation requires the Trustees to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland. The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the entity as at the financial year end date and of the surplus or deficit of the entity for the financial year.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, 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 entity will continue in business.

The Trustees are responsible for ensuring that the entity keeps adequate accounting records which correctly explain and record the transactions of the entity, enable at any time the assets liabilities, financial position and surplus or deficit of the entity to be determined with reasonable accuracy, enable them to ensure that the financial statements and Report of the Trustees comply with applicable legislation and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the entity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustees



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Bishop Kevin Doran

Dated this 26th day of October 2018

# **INDEPENDENT REPORT OF THE AUDITORS TO THE TRUSTEES OF THE DIOCESE OF ELPHIN GENERAL TRUST FUND**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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We have audited the financial statements of the Diocese of Elphin General Trust Fund for the year ended 31 December 2017, which comprises of the Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Trustees of the Diocese of Elphin General Trust Fund as a body. Our audit work has been undertaken so that we might state to the Trustees those matters that we are required to state to them in the audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees of the Diocese of Elphin General Trust Fund or the Trustees' members as a body for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with relevant legislation, as required. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the entity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**INDEPENDENT REPORT OF THE AUDITORS TO THE TRUSTEES OF THE DIOCESE OF ELPHIN GENERAL TRUST FUND**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the entity as at 31 December 2017 and its surplus for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework

**Matters on which we are required to report**

- We have obtained all the information and explanations, which we consider 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Report of the Trustees is consistent with the financial statements.

**Anthony Porter**

For and on behalf of:

Porter and Co

Chartered Accountants and Registered Auditors

Millennium House

Stephen Street

Sligo

Dated this 26th day of October 2018



**DIOCESE OF ELPHIN GENERAL TRUST FUND  
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 €	2016 €
Diocesan Office Levy		312,704	318,842
Parish contributions and other donations to Welfare Fund		99,547	59,841
Parish contributions and other donations to Stewardship Fund		90,226	71,205
Investment income	1	46,383	41,062
Insurance claim proceeds		52,886	-
Income for Commissions and Agencies of the Episcopal Conference		15,125	11,721
Other income		<u>58,051</u>	<u>20,282</u>
		674,922	522,953
Levy for Commissions and Agencies of the Episcopal Conference		(54,329)	(49,494)
Operating expenses	2	(863,436)	(830,937)
Surplus on Angelus Diocesan publication		<u>1,710</u>	<u>3,784</u>
Deficit before exceptional income and expenditure		(241,133)	(353,694)
Exceptional income	3	627,478	141,038
Exceptional expenditure	4	<u>(149,913)</u>	<u>(87,964)</u>
Net surplus/(deficit) for year		<u><u>236,432</u></u>	<u><u>(300,620)</u></u>

**DIOCESE OF ELPHIN GENERAL TRUST FUND  
BALANCE SHEET  
AS AT 31 DECEMBER 2017**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
<b>Fixed assets:</b>		
Tangible fixed assets	581,433	585,554
Investments at cost	<u>1,570,543</u>	<u>1,580,203</u>
	<u>2,151,976</u>	<u>2,165,757</u>
<b>Current assets:</b>		
Debtors and prepayments	593,903	605,696
Cash at bank and in hand	<u>1,574,037</u>	<u>1,239,802</u>
	2,167,940	1,845,498
Creditors:(amounts falling due within one year)	<u>(274,274)</u>	<u>(314,084)</u>
Net current assets	<u>1,893,666</u>	<u>1,531,414</u>
Total assets less current liabilities	4,045,642	3,697,171
Creditors:(amounts falling due after more than one year)	(112,039)	
	<u>3,933,603</u>	<u>3,697,171</u>
Accumulated Fund	<u>3,933,603</u>	<u>3,697,171</u>

DIOCESE OF ELPHIN GENERAL TRUST FUND  
 NOTES TO THE INCOME AND EXPENDITURE ACCOUNT  
 FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	€	€
<b>1. Investment income</b>		
Dividend and interest income	293	552
Rental income	46,090	40,510
	<u>46,383</u>	<u>41,062</u>
<b>2. Operating expenses:</b>		
Salaries	135,836	135,472
Child protection and safeguarding costs	105,594	105,991
Pastoral Development Office costs	58,008	69,504
Charitable subscriptions	18,550	18,550
Vocation committee costs	2,605	7,757
General insurance	10,454	11,632
Seminars, retreats, courses and meetings	11,313	30,789
Cura contributions	4,368	4,368
Chaplaincy costs	45,134	9,374
Permanent diaconate costs	12,632	14,009
Seminarian and ongoing formation costs	27,051	37,000
Priests' expenses	47,350	23,539
Catechetics - primary level	29,938	23,344
Catechetics and chaplaincy - secondary level	44,502	36,975
Education management costs	20,086	22,086
Overseas Priests induction costs	32,567	29,872
Property maintenance costs	18,573	25,547
Diocesan Youth Office costs	84,851	73,772
Servant Sisters of the Home of the Mother	33,463	-
Partners in the Gospel programme	19,967	2,407
Other overheads	100,594	148,949
	<u>863,436</u>	<u>830,937</u>
<b>3. Exceptional income</b>		
Gifts and bequests	82,404	42,556
Sundry income	8,201	5,220
Disposal of properties	389,179	93,262
Profit on disposal of investment	147,694	-
	<u>627,478</u>	<u>141,038</u>
<b>4. Exceptional expenses</b>		
Property refurbishment costs	19,153	51,532
Jubilee expenses	2,342	3,113
Eucharistic congress	-	5,136
Professional fees	-	9,860
Secondary school debt	128,418	-
Legacy parish and diocesan agency related costs	-	18,323
	<u>149,913</u>	<u>87,964</u>