

THE DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND



**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018**

CHY 2740 – Registered Charity No 20003449

THE DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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THE DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND

REPORT OF THE TRUSTEES

The Elphin Sick Priests and Welfare Fund, sometimes referred to as the Elphin Sick and Retired Priests Fund, is an unincorporated society, managed by an executive committee elected from among the priests of the Diocese of Elphin. Its purposes are as follows:

- a) To provide suitable accommodation for priests of the diocese who have retired and who do not have accommodation of their own
- b) To provide a source of income, additional to the state pension, which would allow a priest without other personal means to provide adequately for himself
- c) To pay the VHI premium for retired priests and to assist any priest of the diocese in dealing with medical costs over and above what would be covered by the VHI policy

This is the fourth year in which a full audit has taken place.

The main source of funding comes primarily from contributions made by the priests out of surplus income (i.e., income provided by the faithful specifically for the support of the priest, which exceeds the agreed basic income of the priest). The amount of the contribution is calculated as 20% of any salary surplus in each parish.

Other sources of income include:

- A small annual levy on parishes, based on the number of families
- Interest on investments
- Gifts and bequests

Total income of the fund for the financial year ending 31st December 2018 was €234,078. This represents a decrease in income of €140,205 compared to the previous year, which is mainly due to a decrease in legacies/bequests / donations in the financial year.

Liquid assets of the fund which are not required for immediate use are invested conservatively with a view to minimising risk while maximising the capacity of the fund to respond to future need. The fund had a decrease in surplus in 2018, which must be viewed against the steady increase in the average age of the clergy, together with the rapidly increasing cost of health insurance and house accommodation.

The income from legacies/bequests/donations obviously fluctuates from year to year. However, we have a steady increase in clergy retirements, which will necessitate a draw on the fund.

THE DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND

REPORT OF THE TRUSTEES

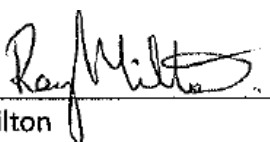
In the year under review there were a number of deaths of clergy. We now have fifteen priests of the diocese who have passed the retirement age of 75 years. Nine of these were in full retirement and in receipt of income support from the fund, some to supplement the state pension. A further two priests are semi-retired and receiving some level of support from the fund. Houses were provided by the fund to four retired priests and one priest is in nursing home care. Six priests over the age of seventy five continued to exercise a public ministry, but in most cases without administrative responsibility. While not currently in need of financial support, they may at any time become fully retired.

Total expenditure from the Fund in the year under review amounted to €223,940. This represents an increase as compared to the previous year, which primarily arose due to increased medical expenses discharged during the year.

It is important that the Sick Priests and Welfare Fund continue to have reserves and to make prudent investments for the future. As the age profile of clergy continues to rise and significant numbers reaching the age of seventy five (clergy retirement age), it is imperative that we have reserves to meet future needs. We have to be conscious with diminishing numbers of clergy, the workload is increasing and puts pressure on existing clergy. This can have its own consequences and lead to a call on the fund.

Fixed assets are stated at original cost in the financial statements. During the year, an additional residential property was acquired by the Fund, which is currently occupied by a retired priest.

On behalf of the Trustees



Rev Ray Milton

Dated this 29th day of October 2019

THE DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND

TRUSTEES' RESPONSIBILITIES STATEMENT

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

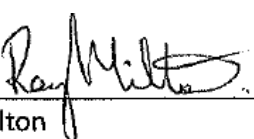
Irish legislation requires the Trustees to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland. 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



Rev Ray Milton

Dated this 29th day of October 2019

INDEPENDENT REPORT OF THE AUDITORS TO THE TRUSTEES OF THE DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND

FOR THE YEAR ENDED 31 DECEMBER 2018

We have audited the financial statements of the Diocese of Elphin Sick Priests and Welfare Fund for the year ended 31 December 2018, 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 Sick Priests and Welfare 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 Sick Priests and Welfare 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 SICK
PRIESTS AND WELFARE FUND**

FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018 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 29th day of October 2019

**DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	€	€
Income - Parishes, Legacies etc	222,441	369,791
Rental income	11,600	4,420
Interest received and profit on investments	<u>37</u>	<u>72</u>
	<u>234,078</u>	<u>374,283</u>
Retirement payments	124,038	124,678
Health insurance premiums	19,821	29,064
Accommodation	13,560	14,460
Medical expenses	53,941	2,031
Insurance	909	818
Other overheads	<u>11,671</u>	<u>5,823</u>
	<u>223,940</u>	<u>176,874</u>
Surplus for year	<u><u>10,138</u></u>	<u><u>197,409</u></u>

**DIOCESE OF ELPHIN SICK PRIESTS AND WELFARE FUND
BALANCE SHEET
AS AT 31 DECEMBER 2018**

	2018	2017
	€	€
Fixed assets:		
Freehold Property at cost	613,040	424,702
Investments	<u>697,859</u>	<u>700,000</u>
	<u>1,310,899</u>	<u>1,124,702</u>
Current assets:		
Debtors and prepayments	50	5,315
Cash at bank and in hand	<u>768,391</u>	<u>939,185</u>
Net current assets	<u>768,441</u>	<u>944,500</u>
Total net assets	<u><u>2,079,340</u></u>	<u><u>2,069,202</u></u>
Accumulated Fund		
Balance at beginning of year	2,069,202	1,871,793
Surplus for year	<u>10,138</u>	<u>197,409</u>
Balance at end of year	<u><u>2,079,340</u></u>	<u><u>2,069,202</u></u>