

Charities of the Roman Catholic Archdiocese of Dublin

Annual Financial Report

Financial Year Ended 31 December 2022

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TRUSTEES AND OTHER INFORMATION

Trustees

Most Reverend Archbishop Dermot Farrell
Right Reverend Monsignor John Dolan
Very Reverend Gareth Byrne
Very Reverend Monsignor Ciaran O'Carroll
Very Reverend Donal Roche
St Laurence O'Toole Diocesan Trust

Finance Committee

Mr Michael Duffy (Chairperson)
Mr Tom Foley
Mr Terence O'Rourke
Very Reverend Andrew O'Sullivan
Sr Irene Dunne (Resigned 31 December 2022)
Mr Eamonn Griffin
Very Reverend Robert Smyth
Very Reverend Pearse Walsh (Resigned 23 March 2022)
Ms Helen Kelly
Ms Maree Gallagher
Mr John Corrigan (RIP 30 March 2023)
Dr William Nowlan (Appointed 10 March 2022)
Very Reverend Philip Curran (Appointed 4 May 2022)
Mr Kevin Hoy (Appointed 16 May 2023)

Property Committee

Dr William Nowlan (Chairperson) (Appointed 10 March 2022)
Mr Felix McKenna (Appointed 15 March 2022) (Resigned 30 June 2022)
Fr John Bracken (Appointed 21 September 2022)
Ms Krystyna Rawicz (Appointed 20 December 2022)
Mr Mark Dunleavy (Appointed 4 August 2022)
Mr Kevin Hoy (Appointed 16 September 2022)

Investments Committee

Ms Michele McGuirk (Appointed 15 March 2022) (Interim Chairperson)
Mr John Corrigan (RIP 30 March 2023)
Reverend Bernard Meade, C.M.
Mr Jim Golden (Appointed 15 March 2022)
Mr David Frame (Appointed 3 May 2023)

Audit Committee

Mr Terence O'Rourke (Chairperson)
Mr Tom Foley
Sr Irene Dunne (Resigned 31 December 2022)
Very Reverend Robert Smyth

Financial Administrator and Head of Operations

Ms Ide Finnegan

Solicitors

Mason Hayes & Curran
South Bank House
Barrow Street
Dublin 4

Bankers

Allied Irish Banks
7/12 Dame Street
Dublin 2

Bank of Ireland
College Green
Dublin 2

TRUSTEES AND OTHER INFORMATION - continued

Auditors	PricewaterhouseCoopers Chartered Accountants and Registered Auditors One Spencer Dock North Wall Quay Dublin 1	
Investment Advisors	Mercer Charlotte House Charlemont Street Dublin 2 Ireland	(Appointed 01 November 2022)
Investment Advisors	Aon Iveagh Court Harcourt Road Dublin 2	
Principal Office	Dublin Diocesan Offices 20-23 Arran Quay Dublin 7 D07 XK85	
Registered Charity Number	20002022	
Charity Tax Number	CHY1333	

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

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 Archdiocese of Dublin (“the Diocese”) covers an area of some 100 kilometres of the mid-eastern coast of Ireland and extends inland over seventy kilometres. The entire county of Dublin forms a substantial part of the Diocese along with most of Wicklow, considerable sections of Kildare, in addition to sections of Carlow, Wexford and Laois.

The area covered by the Diocese is 3,184 km sq. At the most recent available estimate, the Catholic population of the Diocese was approximately 1 million.

There are 197 parishes in the Diocese. The parishes are established and operate according to the provisions of the Code of Canon Law which confers on them separate canonical status, rights and obligations. Canon Law is the name given to the laws and regulations that govern within the Catholic Church.

In Canon Law, the administrative offices of a Diocese are known as the “Curia”. The Curia is referred to as the “Diocesan Offices” throughout the Financial Statements.

STRUCTURE

The Charity comprises the financial statements of the Diocesan Offices and a number of other charitable funds administered by the Diocese. The Diocesan Support Offices in the Curia support the 197 parishes of the Archdiocese in promoting and advancing the Catholic faith. It does this through the Offices of Liturgy, Evangelisation and Ecumenism and provides parishes with expertise on matters of Finance and Property, Child Protection, Education, Law, Human Resources, Canon Law and Communications.

The charitable funds are grouped into a number of funds established by trust, will or intention, each of which is used for the purpose for which the money was originally received. These restricted funds are detailed from pages 11 to 13.

In Civil Law, The Charities of Roman Catholic Archdiocese of Dublin (“Charity”) is a Charitable Trust, governed by a Trust Deed signed on 20 December 2017. The registration number of the Charity with the Charities Regulatory Authority (CRA) is 20002022. The Charity is registered with the Revenue Commissioners as being established for charitable purposes – CHY No. 1333.

There is a separate registration with the CRA for the ‘Parishes and Schools of the Diocese of Dublin’ and separate civil filings are made for this Charity (see page 6 for all related Charities).

GOVERNANCE

The Archdiocese is governed by the Archbishop. In the exercise of his authority, the Archbishop is subject to the provisions of the Code of Canon Law.

The Diocesan Trustees assist the Archbishop in his role. The Trustees who served during the year are listed on page 2 and are senior members of the clergy of the Archdiocese. The Financial Administrator introduces new Trustees to their role and responsibilities. On appointment, a corporate governance briefing and other background documentation is provided to the Trustees together with copies of the trust deed and the latest financial information available. Trustees are periodically briefed on best practice in corporate governance and procedures are updated as appropriate. The Trustees attend regular Trustees training in line with best practice.

The Trustees meet annually to receive the Annual Report and audited financial statements. Other meetings take place quarterly and as required. Unless otherwise stated, all other the Trustees were in office up to the date of approval of the financial statements.

The Charities Regulatory Authority (CRA) introduced a code of compliance, the Governance Code, in 2019. Measures were taken to ensure all requirements of this Code were implemented within the Trust. Trustees have received training on the Governance Code. As a result, the Trustees confirm the Charity is compliant with the Governance Code.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

GOVERNANCE – continued

Dublin Diocesan Finance Committee

The Dublin Diocesan Finance Committee (“DDFC”) is a non-executive Committee currently comprising eleven members, of whom three are priests and eight are lay members. The Archbishop appoints the Committee members and the Chairperson. The DDFC advises and guides the Archbishop and the Trustees in the financial management and stewardship of the Charity. The Finance Committee members who served during the year and up to the date of the signing of the financial statements are listed on page 2. The Finance Committee normally meets ten times per year. Unless otherwise stated, the Finance Committee members were in office up to the date of approval of the financial statements.

There are three subcommittees of the DDFC: Property Committee, Investments Committee and Audit Committee.

The Property Committee

The Property Committee is a subcommittee of the DDFC and plays a crucial role in advising and assisting the Charity in managing its properties effectively. The Property Committee comprises of six members appointed by the Archbishop during the year, including two members from the DDFC, one of whom serves as the chairperson, together with four additional co-opted independent members. Members are selected based on their diverse expertise in areas such as portfolio management, architecture, law, and engineering. The committee's scope encompasses various responsibilities, including providing guidance on strategic property plans for the Charity and its parishes, assisting the DDFC with matters related to land and buildings, developing protocols for parish asset management and building projects, and supporting the executive of the Charity in real property work. The committee also reports its activities to the DDFC and makes recommendations on property proposals and policy matters.

The Investments Committee

The Investments Committee comprises of four co-opted independent members. The Archbishop appointed three of these members to the committee during the year.

With the guidance of the DDFC, the Trustees have entrusted the management of the investments of the Charity to independent investment managers. The Investments Committee monitors the performance of these managers at quarterly intervals. The Investments Committee has ensured that proper investment management agreements are signed with each of these managers for all of the funds under their management. The Archdiocese appointed new third party investment advisors towards the end of the year. This resulted in a parallel appointment for a short period of time.

Sadly, the Charity recently experienced a loss with the passing of John Corrigan, the former Investment Committee Chairman and DDFC member. The Charity expresses its condolences to his family and friends and acknowledges his valuable contributions to the management of the Charity's investments and as a member of the DDFC.

The Audit Committee

The Audit Committee considers accounting, audit and risk issues and reviews and recommends strengthening of the Charity's governance processes. It comprises of three members of the DDFC. The Audit Committee oversees financial reporting and related matters such as risk management external and internal audit.

The other diocesan advisory bodies of the Charity are:

College of Consultors, a committee of priests appointed for a five-year term, which the Trustees consult on matters such as acts of extraordinary administrative importance and proposed sales of assets with a significant monetary value.

Diocesan Council of Priests that advises the Archbishop in governing the Diocese.

Commission of Parish Boundaries that advises on the provision of churches and pastoral outreach centres. It also advises on the re-organisation or establishment of parishes and the revision of parish boundaries.

Diocesan Sacred Art, Architecture, and Historic Churches Commission that gives advice on new church designs and plans for the alteration of existing churches.

Terms of Reference have been set for all the Committees and advisory bodies detailed above.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

MANAGEMENT

The Archbishop is supported in the day-to-day management of the Diocesan Offices by the Moderator of the Curia, Very Reverend Gareth Byrne, and the Financial Administrator and Head of Operations, Ms Ide Finnegan.

The names of the Charity's Bankers, Solicitors, Investment Advisors and Auditors are located on page 2 and 3.

RELATED CHARITIES

The Charity is affiliated with the following registered charities;

	Charity Tax Number	Registered Charity Number
Parishes and Schools of the Diocese of Dublin	7424	20016166
World Meeting of Families 2018	22001	20152710
Irish Episcopal Conference (IEC)	5956	20009861
St. Patrick's College, Drumcondra (This charity is in the process of cancelling the separate charity number)	12065	20034542
Diocesan Agencies		
Crosscare	6262	20010942
Accord	6983	20014100
Dublin Diocesan Pilgrimage to Lourdes (This charity is in the process of cancelling the separate charity number)	5613	20008703

The St Laurence O'Toole Diocesan Trust is a bare trust in which all diocesan and parish properties are nominally held. It is a Company Limited by Guarantee (Registered Number 24430). It does not perform any activities and is not a registered Charity with the CRA. The properties of the Trust are reflected in the Financial Statements of the relevant registered Charity.

INTERNAL CONTROL AND RISK MANAGEMENT

The Trustees are responsible for providing reasonable assurance that:

- the Charity complies with relevant laws and regulations;
- the Charity is operating efficiently and effectively;
- the Charity's assets are safeguarded against unauthorised use or disposition and
- proper records are maintained and financial information used within the Charity or for publication is reliable.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement of loss. They include:

- an annual budget covering the Diocesan Offices' activities approved by the Archbishop;
- regular consideration by the DDFC, Audit Committee and the Investments Committee of the financial results, variances from budgets, investment performance and benchmarking reviews;
- delegation of authority, segregation of duties and formal supervision structures and
- the appointment of an external firm of internal auditors which are engaged on a three-year contract since 2019. This has been extended due to the fact that some of the work was postponed because of the pandemic.

OBJECTIVES AND ACTIVITIES

The objective of the Charity is to promote the advancement of the Roman Catholic religion by enabling the Archbishop to fulfil his canonical responsibilities that include the following:

- i. advancement of religion;
- ii. advancement of education;
- iii. provision for priests and other clergy;
- iv. provision for the Diocesan Offices of the Archdiocese;
- v. promotion of Catholic ethos in all walks of life;
- vi. relief of poverty; and
- vii. provision of physical infrastructure related to the activities of the Charity.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

AIMS

The Charity every year focuses on the achievements of the seven objectives listed above.

The Activity Report (pages 8 to 13) sets out in detail the activities of the different functions of the Charity in the year.

THE ROLE OF VOLUNTEERS

The majority of volunteers who support the Charity give of their time and expertise by serving on the various committees of the Charity. Time and commitment varies for each group. Some committees meet once a month while others meet several times a year.

FINANCIAL REVIEW OF THE YEAR

(The figures detailed below in the review of the financial year are rounded to the nearest thousand (k)).

The Trustees of the Archdiocese are responsible for the management of its funds, seeking advice from relevant diocesan and financial experts. The funds are classified as restricted, designated, and unrestricted, with the majority of the Charity's restricted funds no longer receiving donations. Any income generated from grant restricted funds arises from long-term investments. The Trustees are committed to managing and disbursing the funds in a responsible manner, without any intention to actively increase the following restricted reserves in the future: The O'Brien Institute Fund, the Poor of Dublin Fund, the Mission Fund, and the Irish Martyrs Fund. Through diligent oversight and financial planning, the Trustees strive to utilise the Archdiocese's resources effectively to advance its mission.

During the financial year, the restricted funds continued to be administered in accordance with their intended purposes. Further details on income generated and payments granted in the year are provided on pages 11 to 13 in the activity report.

The total income for the Charity decreased by €235k or 5%, in the current year to €4,938k (2021: €5,173k). The income can be analysed further:

Contributions from diocesan related charities increased by €470k or 17%, to €3,280 in the current year (2021: €2,810k) (see note 5 (i) pages 29 and 30). This income primarily derives from contributions made by the Share Fund to support the Charity's efforts in covering the net costs associated with running the diocesan offices within the Curia. These offices play a crucial role in assisting the Archbishop and the 197 parishes of the Archdiocese of Dublin in carrying out their mission of promoting and advancing the Catholic faith. In 2022, the Share Fund contribution to the Charity increased by €695k or 37% to €2,572k (2021: €1,877k). This increase in the Share Fund collections can be attributed to the reopening of churches for public worship and the removal of restrictions on attendance numbers.

Donations and legacies decreased by €252k or 30%, to €597k in the current year (2021: €849k), primarily due to lower legacies received in 2022.

Income from other trading activities has decreased by €32k or 7%, to €455k (2021: €487k). This was mainly due to a decrease in car park and rental income, which decreased by €228k, partially offset by an increase in DCU amortisation of long term lease, which increased by €196k.

Investment and other income decreased by €620k or 81%, to €148k in the current year (2021: €768k). This decrease was due to a decrease in investment income.

Total expenditure incurred in furthering the objectives of the Charity increased by €5,246k or 175%, to €8,236k in the current year (2021: €2,990k). This increase can be attributed to a variety of factors, which can be explored further:

The cost of raising funds has decreased significantly by €273k or 92%, to €23k in the current year (2021: €296k). This decrease is largely due to a substantial drop in fundraising/event costs, which decreased by €276k or 98%, to €6k in the current year (2021: €282k). However, investment management fees have increased by €3k or 21%, to €17k in the current year (2021: €14k).

Expenditure on charitable activities has increased by €963k or 16%, to €6,925k (2021: €5,962k) (see note 6(ii) page 31 and 32). This increase is largely due to a decrease in the economy-wide enterprise support scheme (EWSS), which decreased by €431k or 82%, to €92k in the current year (2021: €523k). The relocation costs also increased by €635k or 95%, to €1,307k in the current year (2021: €671k).

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

FINANCIAL REVIEW OF THE YEAR - Continued

The expenditure on other activities decreased €1,265k or 115%, to a positive credit balance of €162k in the current year from an expense prior year (2021: €1,103k). This decrease is mainly due to the inclusion of pension fund expenses and interest under general fund expenditure.

The net impact of changes to the pension scheme decreased by €5,821k or 133%, to an expense of €1,450 in the current year from a positive credit balance prior year (2021: €4,371k).

The Charity reported a decrease of €4,573k in net losses on the valuation of investments to €2,444k in the current year. This is in contrast to the net gains reported in the prior year (2021: €2,129k). These net losses can be broken down further between realised and unrealised gains and losses on investments. The Charity reported realised gains of €228k (2021: €65k) on investments disposed during the year. The investments made unrealised losses of €2,672k in the current year (2021: unrealised gains of €2,064k). It is important to note that these unrealised losses reflect the market value of investments at a specific point in time and may rise or fluctuate based on market conditions.

Transfers between funds of the Charity in 2022 amounted to €150k (2021: €144k). These transfers net off on consolidation of the funds (note 21 page 42).

Overall, the Charity's total net movement in funds increased by €25,545k to €123,419k in the current year (2021: €97,874k).

The main reason for this increase in funds is that in October 2022, the fourth tranche in the sales contract with the Gaelic Athletic Association (GAA) closed. This contract sold the Charity's excess land and buildings at Holy Cross College that were surplus to requirements over a four-year period. The Charity received €28,689k from the sale proceeds in this fourth and final tranche. These sales proceeds are designated by the Trustees in line with the approval from the Holy See and are not available for day-to-day operating expenditure.

The Charity has retained ownership of the Archbishop's House and the former Mater Dei College building. The Mater Dei building is currently leased by the Charity to Dublin City Council at a nominal rent and is being used as a family hub for 50 homeless families, which is managed by the Diocesan agency, Crosscare.

A provision is included in the financial statements for the estimated total costs of outstanding claims and for the eventuality of future claims arising for compensation in connection with the alleged clerical abuse of children. The provision at 31 December 2022 reported a net decrease of €784k to €10,052k in the current year (2021: €10,836k) (see note 16, page 40).

At 31 December 2022, the Charity's total reserves increased by €25,545k to €123,419k (2021: €97,874k). These reserves can be analysed further in line with the charity SORP FRS102 between restricted, designated and unrestricted reserves. The Charity has restricted reserves of €11,039k (2021: €12,077k), designated reserves of €91,504k (2021: €63,729k) and unrestricted reserves of €20,876k (2021: €22,068k) (see note 17 page 41 to 42).

ACHIEVEMENTS AND PERFORMANCE

ACTIVITY REPORT

1 UNRESTRICTED FUNDS

i. General Fund

The General Fund comprises bequests and donations, which are given for charitable purposes to be used at the Archbishop's discretion in consultation with key management. The main category of expense in the General Fund is in relation to costs arising from clerical sexual abuse claims. The provision for current and future claims decreased by €784k to €10,052k in 2022 (2021: €10,836k). The non-cash movements in the Mater Dei pension scheme is also reported in the General Fund. The Mater Dei defined benefit pension scheme closed during the year. The net impact of the actuarial changes to the pension schemes' assumptions during the year (see note 15, pages 38 to 40).

The balance in the General Fund at 31 December 2022 is €112,380k (2021: €85,797k) of which €91,504k is designated. These designated funds relate to the sale proceeds received for the sale of the Holy Cross College land and buildings to the GAA that were surplus to current requirements. The reserves are designated in the following areas in line with the approval from the Holy See; training of seminarians, formation of future pastoral leadership, new diocesan pastoral centre, the care of sick and retired priests, the refurbishment of the Pro-Cathedral and a contingency reserve.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT – Continued

1 UNRESTRICTED FUNDS – Continued

ii. Diocesan Support Offices

The purpose of the Diocesan Support Offices in the Curia is to assist the Archbishop in his pastoral care of the Charity and other related charities especially in directing pastoral action, and in providing support services to 'Parishes and Schools of the Diocese of Dublin'. In the year, the cost of the Diocesan Support Services increased by €935k to €3,835k in the current year (2021: €2,900k) (see note 8, page 35). The increase in costs can primarily be attributed to the cessation of the Employment Wage Subsidy Scheme (EWSS) in April 2022, which subsequently led to an increase in salary expenses. Parishioners of the diocese, through the weekly Share collection, assist the costs of these support services. The Share Fund contribution increased by €695k or 37%, to €2,572k in the current year (2021: €1,877k). The Share Fund is reported within the related Charity 'Parishes and Schools of the Diocese of Dublin'.

The Diocesan Support Offices comprise:

- **Office of Mission and Ministry**

The Offices of Mission & Ministry aims to facilitate and bolster faith development across all communities in the Archdiocese. Its primary objective is to enable individuals to actively engage in their parish life. This goal is accomplished through the provision of comprehensive support and resources, as well as by offering ongoing training and formation opportunities. The Office's initiatives encompass diverse areas such as the training of Parish Pastoral Councils, adult faith formation, liturgical resourcing, cultivation of youth and young adult leadership, and the fostering of voluntary ministries. During the year the Dublin Diocesan Liturgy Resources Centre merged with the office of Mission and Ministry.

- **Dublin Diocesan Liturgy Resource Centre**

The Dublin Diocesan Liturgy Resource Centre offers resources for prayer and liturgy throughout the Diocese, supporting and advising parishes and offering liturgical training.

- **Education Secretariat**

The Education Secretariat assists the Boards of Management of 451 Catholic Primary Schools in all governance issues and liaises, on behalf of the Archbishop, with the Trustees of the 108 Catholic Post-Primary Schools and the 73 other Post-Primary Schools under other Trustees. The Secretariat also supports the work of the chaplains to Third Level Colleges, i.e. TU Dublin, University College Dublin, Dublin City University, Trinity College Dublin and Maynooth University. The Secretariat liaises with the Department of Education and Skills, the three Teachers' Unions and the National Parents' Council on behalf of the schools under Catholic Patronage/Trusteeship.

- **Vocations Office**

The Vocations Office encourages and promotes vocations to the priesthood and permanent diaconate in the Archdiocese. There are currently two seminarians training to become priests of the Archdiocese of Dublin. The Archdiocese has 34 Permanent Deacons and 2 candidates in training.

- **Office of the Moderator**

The office of the Moderator oversees the Diocesan Offices on behalf of the Archbishop, seeking to provide a unified support to the clergy, people, parishes, and schools of the Archdiocese.

The Financial Administrator and Head of Operations ensures the appropriate administration of the assets of the Archdiocese and day to day support in the running of diocesan services. The office provides guidance regarding employment and human resources; information technology; property management and building projects; governance and legal matters.

The *Building Hope* pastoral strategy initiative, planning for the future pastoral development of the Archdiocese, is also supported through the Office of the Moderator.

The Office of the Moderator also manages the Communications function. The Communications Office works with the Archbishop and the other Dublin Diocesan Offices on communications, media and public relations matters, as well as providing support to parishes.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - Continued

1 UNRESTRICTED FUNDS - Continued

The diocese has an in-house solicitor who deals with the legal matters associated with commercial contracts and property transactions for the Diocese and the parishes. The external diocesan solicitors deal with all other legal issues. A compliance co-ordinator assists with governance and compliance matters. This role entails providing guidance, oversight, and coordination to ensure adherence to regulatory requirements, internal policies, and ethical standards.

As part of a strategic approach to property and other assets, an asset manager was recruited during the year. With responsibility for implementing effective management and administration practices to optimise the utilisation and value of the Archdiocese's assets.

- **Child Safeguarding and Protection Services**

The Child Safeguarding and Protection Services is responsible for the establishment and maintenance of safe environments for children and vulnerable adults involved in Church activities largely through training in parishes. The Office gives support to those who experienced abuse as children within a Church context and manage allegations of child abuse that arise within the Diocese to ensure that the Church and national child protection guidelines are followed and that risks to the safety of children are assessed and minimised.

The office also processes Garda vetting forms on behalf of parishes, diocesan agencies, schools (non-teaching staff), religious orders and agencies. The office provides advice on safeguarding matters, mainly to parishes and diocesan agencies.

- **Office for Clergy**

The Office for Clergy supports the spiritual, theological, pastoral and continuing formation of the Clergy as well as their health, well-being and general care

- **Offices for Religious**

The Office for Religious provides support services for all religious, contemplative men and women, active sisters, brothers and priests, especially in canonical matters.

- **Diocesan Archives**

The Diocesan Archives preserve the sources describing the historical development of the Church community as well as those relating to the liturgical, sacramental, educational and charitable activities, which the clergy, religious, and lay members of the Church have carried out throughout the centuries up to the present day.

- **Finance Secretariat**

The Finance Secretariat advises the Diocesan Offices and parishes on financial, property, compliance and legal matters, such as banking arrangements, financial controls, accounting obligations under the Charities Act and legal issues.

The Secretariat carries out secretarial functions on behalf of the Charity, some related Charities and restricted funds. It also administers transactions on behalf of the St Laurence O'Toole Diocesan Trust.

The Finance Secretariat administers the two weekly collections taken up at Masses in parishes. The Secretariat manages salary payments to diocesan employees and provides administration services in relation to pension and health insurance. The Secretariat process the monthly payments to active and retired priests, payments of expenses such as supplier invoices, insurance premiums and payments to the beneficiaries of the restricted funds. The Finance Secretariat is responsible for the production of annual financial statements and budgets for a number of diocesan entities.

- **Office for Financial Development**

The Office for Financial Development develops and implements new strategies to ensure a sustainable future funding base for parishes and the Diocese.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - Continued

1 UNRESTRICTED FUNDS - Continued

- **Chancellery**

The Chancellery manages canon law matters including those that relate to the sacraments, in particular marriage. It serves as a resource to give advice on canonical issues to the Archbishop, his staff, priests, diocesan agencies and parishes.

2 RESTRICTED FUNDS

The financial statements include a number of restricted funds whose reserves cannot be used for any other purpose. The closing reserves of these thirteen funds vary from €1k to €3,470k. The reserves of these funds are disclosed in note 8 on page 35. The total restricted reserves reduced by €1,038k to €11,039k at the end of the year (2021: €12,077k). All the restricted funds generated total income of €678k (2021: €500k) during the year and had expenditure of €955k (2021: €1,218k). This expenditure related primarily to charitable donations to beneficiaries. Investments held by these funds reported net losses of €611k (2021: €317k) during the year. There were transfers between funds of €150k during the year. Throughout the year, the Charity continued to support those most in need through grants summarised below to DEIS schools and to the poor of the Dublin Archdiocese. Detailed below is further information on the objectives of these restricted funds and a sample of grants awarded during the year.

O'Brien Educational Trust Fund - reserves at 31 December 2022 - €1,345k (2021: €1,646k)

The fund was established under a scheme approved by the High Court in 1977 referring to the 1847 will of Miss Bridget O'Brien RIP. The purpose of the fund is to help defray the costs of the education of children in need of support. The Trustees consider applications from schools, parents and organisations who deal with the education of disadvantaged children. Schools and other beneficiaries who qualify under the terms of the Trust are invited to make submissions via the application form available from the Finance Secretariat.

During the year, 44 grants totalling €161k (2021: €434k) were distributed to various schools and projects. Throughout the course of the year various DEIS schools were awarded grants, and other learning units and special schools also received grants. These grants vary from school to school; however, the requests and resultant grants made tend to be for support to assist with the purchase of information technology equipment, books to establish school libraries to improve literacy, equipment for sensory rooms, playgrounds and educational trips. The fund reported income of €4k. The fund reported €109k in unrealised losses on the fund's investments. The fund has transfer between funds of €35k.

Below are a sample of the grant beneficiaries during the year:

- Caritas College, Ballyfermot received a grant of €15,000 for providing counselling to students on issues such as the transition from primary to post-primary settings, bereavement, anxiety, mediation, and supporting students with additional needs. This is the second year of a three-year grant, with the total grant amounting to €45,000.
- Brookfield Primary School received a grant of €10,500 to fund play therapy for children.
- Virgin Mary Girls National School received a grant of €8,000 to provide speech, language, and occupational therapy services for children.
- Loreto Primary School received a grant of €7,500 to carry out educational assessments.

The Burse Fund (Vocations) - reserves at 31 December 2022 - €3,470k (2021: €3,757k)

The Burse Fund comprises the accumulation of reserves used mainly for the education of students of the priesthood. Over the last few decades, the number of seminarians has fallen dramatically. Smaller amounts of these reserves meet the training costs of permanent deacons. The Trustees made a decision in 2018 not to hold a Burse Fund collection at Mass for a number of years, as there are currently sufficient reserves to meet the current levels of expenditure. The total amount of expenditure in relation to seminarians and the training of permanent deacons in the Diocese amounted to €69k for the year. During the year, the fund reported income of €31k. The fund reported €238k in unrealised losses on the fund's investments. The fund has transfer between funds of €11k.

Poor of Dublin Fund – reserves at 31 December 2022 - €623k (2021: €702k)

This fund accumulated from bequests for the poor of the Archdiocese over many years and gains made on various investments held belonging to the fund. The fund supports programmes targeted at those most in need in Dublin. The Trustees consider applications mostly from organisations that alleviate poverty and individuals experiencing financial difficulties. During the year, €38k was distributed in grants to various beneficiaries and €41k in transfer between funds.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - Continued

2 RESTRICTED FUNDS - Continued

Mission Fund – reserves at 31 December 2022 - €932k (2021: €1,070k)

This fund was established in 1983 by the late Archbishop Ryan for the benefit of the Missions and amalgamated with bequests for similar purposes received both before and since the establishment of the fund. The fund reported unrealised losses of €52k on the investments held. There was a transfer of €17k between funds. The Trustees granted a total of €69k to beneficiaries during the year.

Some of the grants donated from the Mission Fund to beneficiaries during the year are listed below:

- The Irish College in Rome received a grant of €20,000 to cover the expenses associated with seminarians from missionary nations.
- The St. Louis Maronite Church was awarded a grant of €15,000 to facilitate the construction of a community centre.
- A total of €15,000 was granted to support foreign national priests in covering the financial costs of pursuing courses at St. Patrick's College Maynooth.

Irish Martyrs Fund – reserves at 31 December 2022 €2,200k (2021: €2,353k)

Cardinal Cullen first established this fund and later it was augmented by a major fundraising drive launched in 1905 by Archbishop Walsh. Its purpose is the funding of the expenses associated with the promotion of the cause of the Irish Martyrs. The increase in the funds reserves at the year-end relates to unrealised losses of €147k on investments. The fund has transfer between funds of €6k.

New Cathedral Fund – reserves at 31 December 2022 - €778k (2021: €878k)

A fund was established in 1930 for the building of a new Cathedral. In July 2015, the Charities Regulatory Authority approved to apply the fund cy-près for the purpose of the refurbishment, repair, maintenance and operation of St. Mary's Pro-Cathedral, as there is no intention to build a new cathedral in the diocese. In 2022, €35k was granted to the Pro-Cathedral for renovations in the Cathedral. The fund reported unrealised losses on the investments held of €65k.

Harrington Street Trust – reserves at 31 December 2022 - €653k (2021: €652k)

Canon Connolly established a fund in 1906 for the education of the children of the parish of Harrington Street. No submissions were made to the Trustees for any grants from the fund during the year. The fund had income during the year of €1k.

Sundry Investments – balance at 31 December 2022 - €80k (2021: €80k)

These consist of sundry investments held it also holds a mass-book that contains masses for donors' intentions. These masses are allocated to priests in line with the Canonical requirements.

Peter's Pence Fund – reserves at 31 December 2022 – €1k (2021: €6k)

This fund holds the annual Church collection (the Peter's Pence collection) for the support of the Pontifical Charities is lodged. The special collection took place in churches in replacement of the share collection. Donations of €144k were received, expenditure of €135k and transfers between funds of €14k.

Dublin Regional Marriage Tribunal – reserves at 31 December 2022 - €76k (2021: €40k)

The Dublin Regional Marriage Tribunal was established in 1976 to provide a service to the Dioceses of Dublin, Meath, Kildare and Leighlin, Ferns and Ossory so that those who lived in the area of those dioceses could have marriages investigated with a view to a possible declaration of nullity of marriage. The Dublin Metropolitan Tribunal adjudicates in all canonical trials with the exception of marriage cases within the Archdiocese of Dublin. The Tribunal also provides a service to other tribunals in Ireland and around the world. The fund had income during the year of €303k, expenditure of €246k and transfers between funds of €21k.

Our Lady's Choral Society – reserves at 31 December 2022 - €59k (2021: €49k)

Our Lady's Choral Society (OLCS) was founded in Dublin in 1945, after the Dublin Archdiocese brought together the best singers from all the Church choirs of Dublin for a performance of Handel's Messiah. OLCS welcomes members from all religions and walks of life. The 120 choristers chosen for membership are united by a passion for singing great choral music at a professional level. The fund had income during the year of €120k, expenditure of €109k and transfers between funds of €1k.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - Continued

2 RESTRICTED FUNDS - Continued

Mater Dei Educational and Research Trust – reserves at 31 December 2022 €308k (2021: €365k)

The Mater Dei Educational and Research Trusts purpose is to provide scholarships and grants with the following criteria:

- To fund post-graduate studies and research in the areas of Theology, Education and the Humanities;
- To sponsor seminars, conferences, publications and visiting scholars in the study and research of Religion, Education and the Humanities;
- To explore and promote the use of information technology with particular reference to digital media-based teaching and learning in the service of Religious Education, Theology and Adult Faith Formation.

The Trustees awarded grants totalling €55k during the year and there was transfers between funds of €2k.

Dublin Diocesan Pilgrimages to Lourdes– reserves at 31 December 2022 €514k (2021: €479k)

The Dublin Diocese Pilgrimages to Lourdes conducts two pilgrimages to Lourdes annually, with the September pilgrimage being one of the most significant events in the Diocesan calendar, and is led by the Archbishop. The pilgrimage draws around 2,000 pilgrims from all corners of the Diocese, comprising parish groups and individuals. Of these pilgrims, 180 are sick pilgrims receiving care at the Accueil Notre Dame, which provides excellent modern hospital facilities close to the Grotto. Additionally, 550 voluntary helpers made up of nurses, doctors, handmaids, brancardiers, chaplains, and the Dublin Lourdes Choir offer their services. Around 200 young people, many from secondary schools and colleges from around the Diocese, also lend their support in caring for the sick pilgrims.

The Children's Pilgrimage is a smaller but equally significant group, with about forty children traveling from Dublin and joining thousands of other child pilgrims from different parts of the world during Easter Week. They are accompanied by a team of chaplains, doctors, nurses, and approximately forty helpers who ensure that the children have a fulfilling and safe pilgrimage.

The fund had income of €75k, expenditure of €38k and a transfer of €2k between funds during the year.

FUNDRAISING

The Office for Financial Development is engaged in the ongoing development of strategies aimed at enhancing revenue for both the Diocese and its individual parishes. It employs a variety of fundraising activities, leveraging the strong connection people have with the Church through their parish. These activities include cash collections and standing order donations organised by Parishes, and utilises various digital fundraising tools, such as contactless giving, to engage supporters. The office also organises events focused on specific projects.

The Office for Financial Development provides support to individual parishes in promoting legacies as a method of giving, with leaflets and other materials produced to highlight the benefits of leaving a legacy of any size. While legal advice is not offered, information is provided to assist supporters in making an informed decision.

The Trustees of the Charity acknowledge that the work of the Church is made possible by the prayers, volunteering, and generosity of parishioners and supporters. They recognise that the Church extends beyond physical structures and institutional framework, encompassing a vibrant community of faithful individuals who actively fulfil its mission. The Trustees express their gratitude for all the support given by the parishioners and supporters.

INVESTMENTS

Background

Funds held in restricted funds and the General Fund are invested to ensure ongoing returns for the donors' original intentions and the general benefit of the Charity.

The Charity now holds three investment funds. There are currently invested in Medium Term/Medium Risk Strategy as devised by the Investments Committee in conjunction with its advisors, Aon.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

INVESTMENTS – Continued

Background - continued

The strategic weightings of the four funds for 2022 was as follows:

	General Fund Medium Term/Medium Risk	O'Brien Institute Medium Term/Medium Risk	Sundry Fund Medium Term/Medium Risk
Absolute Return	50%	60%	47.5%
Equities	15%	0%	-
Cash	35%	40%	52.5%

Performance

Global equities generated negative returns over the twelve months. Equities suffered a sharp sell-off at the beginning of 2022 as geopolitical risk took centre stage with Russia invading Ukraine. These declines continued for much of the year with persistent high levels of inflation, increased interest rate expectations and concerns around slowing economic growth weighing on investor sentiment. Inflation fears remained unsettled throughout 2022, leading to significant rate rises across the globe. The FTSE All World equity index fell by 12.3% in euro terms over 2022.

In Q1 2022, the European Central Bank (ECB) ended its emergency QE program. On 8 September 2022, the ECB raised its benchmark interest rates by 125bps to 0.75% over the quarter, the highest level since 2011, to tackle surging inflation. On 15 December 2022, the ECB raised its deposit rates by 125bps to 2%, its highest level in 14 years. The ECB president, Christine Lagarde, indicated further 0.5% rate increases in the next two meetings of the Governing Council. Meanwhile, on 15 December 2022, the ECB announced plans to start shrinking the €5tn of bonds it purchased over the previous eight years from March 2023. The ML AAA/AA >10 Year Eurozone Government Bond Index recorded a negative return of 32.4% for 2022.

In the context of the above environment, all funds held recorded a negative performance over 2022. The SSGA IUT Global 4Good Enhanced Equity Fund registered a negative return of 12.5%, broadly in line with its benchmark return. The Insight Broad Opportunities Fund fell by 10.9%, while the Blackrock Dynamic Diversified Growth Fund fell by 10.9%, both underperforming their target returns, reflecting the challenging conditions for multi asset strategies in general over 2022 with the majority of major equity and bond markets globally experiencing negative returns.

	General Fund	O'Brien Trust	Sundry Funds
Actual	-7.6%	-6.8%	-5.8%
Benchmark	0%	2.3%	1.9%

The Investment Committee monitors the performance of the underlying investment managers on a regular basis in conjunction with its advisers and if appropriate may consider changes to the composition of the underlying managers.

RELOCATION OF DIOCESAN OFFICES

In September 2022, Archbishop Farrell hosted a farewell event at Holy Cross College, Clonliffe. The evening, which included a prayer service in the College Chapel and a buffet reception in the grounds, marked the end of the Archdiocese of Dublin's long association with the premises. More than 200 people, including priests, together with current and former diocesan staff members attended.

Archbishop Farrell acknowledged the contribution of Holy Cross College to the spiritual fabric of the Church in the Archdiocese of Dublin for 168 years. He underlined the need for new modalities of formation for those who will be involved in the ministry of the Church and the proclamation of the Gospel in the coming decades.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

RELOCATION OF DIOCESAN OFFICES – Continued

During the year Diocesan offices relocated from Holy Cross College to temporary locations. These arrangements will be in place until a decision is made regarding the establishment of permanent offices, with a goal of bringing all functions together in a permanent location. The temporary relocations are as follows:

- The Chancellery office and the Office for Religious and Extern Priests moved to Archbishop's House and were located with the Archbishop's office and the Office for Priests.
- The Education Secretariat moved to Home Farm, Corpus Christi in Drumcondra.
- The Moderators office, the office for Mission & Ministry, the Finance office, the Communications office, and the Child Protection services moved to St. Paul's in Aran Quay.
- The Diocesan Archives moved to the old Mater Dei Library, Holy Cross College, Clonliffe.
- The offices of the Dublin Regional Marriage Tribunal moved to Berkeley Road Parish.
- Crosscare offices moved to St. Mary's, Dorset Street.
- Dublin Diocesan Pilgrimage to Lourdes offices moved to Home Farm, Corpus Christi in Drumcondra.
- Accord moved to Pembroke Road in Ballsbridge.

PLANS FOR FUTURE PERIODS

Building Hope

Looking forward, the Archdiocese is dedicated to building upon the progress achieved through the Building Hope Pastoral Strategy Group and advancing its mission in alignment with the recently announced Statement of Mission. The following outlines the key initiatives and plans for the future:

- **Building Hope Pastoral Strategy Group:**
 - Continuing the work commissioned by Archbishop Farrell in January 2022, the Building Hope Pastoral Strategy Group will further develop and implement strategies to nurture the spiritual well-being of parishioners.
 - Collaborating with parishes, religious communities, and lay leaders to identify pastoral strengths, areas for development, and opportunities for shared initiatives.
 - Utilising a synodal approach, fostering open dialogue and engagement with parishes to shape the future direction of the Archdiocese.
- **Parish Partnerships and Pastoral Development:**
 - Building upon the successful Building Hope conversations initiated in Easter 2022, the Archdiocese will actively support parishes in their ongoing exploration of partnership and pastoral needs.
 - Leveraging the insights gained from parishes, the Archdiocese will work towards fostering collaboration, resource sharing, and stronger local partnerships of parishes.
 - Providing comprehensive resource material and guidelines for parishes to facilitate the formation of Partnership Pastoral Councils and the scheduling of Masses within partnerships.
- **Lay Leadership and Ministry Development:**
 - Recognising the key role of lay leaders within parishes, the Archdiocese will prioritise the development and support of lay voluntary ministry.
 - Promoting opportunities for lay individuals to engage in leadership roles, fostering their spiritual growth and empowering them to contribute meaningfully to the Church's mission.
 - Specifically focusing on lay leadership in funeral rites, the Archdiocese aims to enhance Funeral Ministry and provide resources for lay individuals to take an active role in this important aspect of pastoral care.
- **Formation and Training Programs:**
 - Offering ongoing formation and training programs for clergy, religious, and lay leaders to enhance their skills, deepen their spiritual knowledge, and equip them for effective ministry.
 - Providing opportunities for clergy and lay leaders to engage in dialogue, share best practices, and strengthen their collaborative efforts in serving parishioners.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

PLANS FOR FUTURE PERIODS – Continued

Building Hope - Continued

- Supportive Gatherings and Meetings:
 - Facilitating regular gatherings, such as Deanery meetings and the Spring Pastoral Gathering, to foster support, encouragement, and collaboration among clergy, religious, and lay leaders.
 - Providing a platform for open discussion and feedback on the progress of the Building Hope process, partnership development, and the implementation of pastoral initiatives.
 - Continuously evaluating and refining the Archdiocese's approach based on feedback received during these supportive gatherings.

Diocesan Support Offices

- The Diocesan Support Offices is focused on developing a sustainable income generation model that will help ensure the Archdiocese long-term financial health. To achieve this goal, the Diocesan Support Service has conducted a comprehensive review of its income generation efforts, identifying areas where improvements can be made. The post of Funding Director was approved in May 2023 and efforts have commenced to recruit a suitably experienced candidate.
- Diocesan Support Offices will focus on sustainability, exploring ways to reduce the environmental impact of parish buildings and facilities. The work of the Building Hope Committee will be closely aligned with this effort, as it will identify opportunities for pastoral partnerships that prioritise sustainability and environmental responsibility.
- The Diocesan Support Offices is committed to providing ongoing support to parishes with their building projects. To ensure that all parish building projects are planned and executed efficiently and effectively.
- A Health and Safety working group set up in late 2022 has recommended the creation of a permanent committee to consider relevant matters of Health and Safety for the diocese and parishes of the diocese. Terms of Reference will be drawn up and it is expected the group will be in place by the final quarter of 2023.

SUSTAINABILITY

The Charity remains committed to the promotion of sustainable living practices in line with Pope Francis' encyclical, *Laudato Si*. This commitment has been demonstrated through the participation of several Dublin parishes in the Eco Parish Awards program.

Parishes such as Bonnybrook, Mount Merrion, Killiney and Kill of the Grange, have all been recognised for their efforts during the year in promoting eco-friendly practices and raising awareness of environmental issues among their communities. The Eco Parish Awards program has enabled these parishes to engage parishioners in a range of sustainable living initiatives, such as community gardens, recycling programs, and energy conservation measures.

The efforts of Shankill parish in promoting environmental sustainability through the Shankill Action for a Green Earth (SAGE) program were also recognised by the European Christian Environmental Network (ECEN), where SAGE received the Roman Juriga award as the joint winner of the best Christian environmental project across Europe. ECEN is composed of hundreds of churches from Catholic, Protestant, and Orthodox traditions with millions of members, making this award a significant accomplishment. The judges praised SAGE's efforts in promoting biodiversity, reducing carbon footprint, and engaging in political debates on climate change and environmental protection. The initiative's inclusion of environmental concerns in the liturgy, especially around the Season of Creation, was also noted.

Additionally, some parishes have also addressed the issue of single-use shrine candles, exploring alternative options such as refillable or rechargeable candles to reduce waste and promote sustainable practices. The Charity is also actively exploring additional sustainability initiatives, such as encouraging the use of electronic communication and digital documents.

The Charity's commitment to promoting a culture of care for the environment aligns with the principles of *Laudato Si*. By working collectively, individuals, organisations, and communities can strive towards a more sustainable future for all.

TRUSTEES' REPORT - continued

Charities of the Roman Catholic Archdiocese of Dublin

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for the preparation of the financial statements of the Charity that are set out on pages 20 to 45 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 the Charities SORP and 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.

On behalf of the Trustees'

A large, stylized handwritten signature in black ink, written over the text 'On behalf of the Trustees'.



Independent auditors' report to the Trustees of Charities of the Roman Catholic Archdiocese of Dublin

Report on the audit of the financial statements

Opinion

In our opinion, Charities of the Roman Catholic Archdiocese of Dublin financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its net income 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 2022;
 - 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 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 Trustee's 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 17, 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.

A handwritten signature in dark ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers
Chartered Accountants
Dublin
31 October 2023

STATEMENT OF FINANCIAL ACTIVITIES
Financial Year Ended 31 December 2022

	Notes	Unrestricted Funds 2022 €'000	Restricted Funds 2022 €'000	Total Funds 2022 €'000	Total Funds 2021 €'000
Income					
Contributions from diocesan related charities	5(i)	2,992	288	3,280	2,810
Donations and legacies	5(ii)	395	202	597	849
Income from charitable activities	5(iii)	267	49	316	190
Income earned from other activities	5(iv)	19	123	142	69
Income from other trading activities	5(v)	455	-	455	487
Investment and other income	5(vi)	132	16	148	768
Total		4,260	678	4,938	5,173
Expenditure					
Expenditure on raising funds	6a(i)	(23)	-	(23)	(296)
Expenditure on charitable activities	6a(ii)	(5,970)	(955)	(6,925)	(5,962)
Other expenditure	6a(iii)	162	-	162	(1,103)
Pension Scheme – Net impact of changes	6a(iv)	(1,450)	-	(1,450)	4,371
Total		(7,281)	(955)	(8,236)	(2,990)
Net (expenditure)/income before gains on investments		(3,021)	(277)	(3,298)	2,183
Net (losses)/gains on investments	11	(1,833)	(611)	(2,444)	2,129
Net (expenditure)/income after gains on investments		(4,854)	(888)	(5,742)	4,312
Transfers between funds	21	150	(150)	-	-
		(4,704)	(1,038)	(5,742)	4,312
Other recognised gains/(losses)					
Transfer of fixed assets and net reserves from other related Charities	23	-	-	-	-
Gains on disposal of fixed assets	24	31,666	-	31,666	10,451
Actuarial losses on defined benefit pension scheme	15, 22	(379)	-	(379)	(588)
Net movement in funds*		26,583	(1,038)	25,545	14,175
Reconciliation of funds:					
Total funds brought forward		85,797	12,077	97,874	83,699
Total funds carried forward	8, 9,17	112,380	11,039	123,419	97,874
Restricted reserves	8, 9,17	-	11,039	11,039	12,077
Unrestricted reserves	8, 9,17	20,876	-	20,876	22,068
Designated reserves	8, 9,17	91,504	-	91,504	63,729
		112,380	11,039	123,419	97,874

*The net movement in unrestricted funds includes an increase of € 27,775k (2021: €9,773k) in designated funds.

Approved by: 

BALANCE SHEET
As at 31 December 2022

	Notes	2022 €'000	2021 €'000
Fixed assets			
Tangible assets	9, 10	1,227	1,089
Investments	9, 11	20,184	23,457
Total fixed assets	9	<u>21,411</u>	<u>24,546</u>
Current assets			
Debtors	9, 12	6,710	6,429
Cash on deposit	9	27,883	28,284
Cash at hand and in bank	9	82,361	51,009
Total current assets	9	<u>116,954</u>	<u>85,722</u>
Liabilities			
Creditors: amounts falling due within one year	9, 13	(4,894)	(3,329)
Net current assets		<u>112,060</u>	<u>82,393</u>
Total assets less current liabilities		133,471	106,939
Creditors: amounts falling due after more than one year			
Provisions for liabilities and charges	9, 16	(10,052)	(10,836)
Net assets before pension deficit		<u>123,419</u>	<u>96,103</u>
Defined benefit pension scheme surplus/(deficit)	9,15, 22	-	1,771
Total net assets of the Charity	8,9,17	<u>123,419</u>	<u>97,874</u>
The total funds of the Charity can be analysed as follows:			
Total restricted funds	8, 9,17	11,039	12,077
Total unrestricted funds	8, 9,17	20,876	22,068
Total designated funds	8, 9,17	91,504	63,729
Total Charity Funds	8, 9,17	<u>123,419</u>	<u>97,874</u>

Approved by:



STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2022

	Notes	2022 €'000	2021 €'000
Net cash used in operating activities	19	<u>(2,162)</u>	<u>(3,359)</u>
Investing activities:			
Dividends, interest and rent from investments		146	767
Proceeds from sale of property, plant and equipment		32,978	12,740
Purchase of property, plant and equipment		(823)	(100)
Movement on shares held directly		36	(271)
Proceeds from sale of investments		1,138	500
Purchase of investments		<u>(362)</u>	<u>-</u>
Net cash provided by investing activities		<u>33,113</u>	<u>13,636</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>30,951</u>	<u>10,277</u>
Cash and cash equivalents at the beginning of the reporting period		<u>79,293</u>	<u>69,016</u>
Cash and cash equivalents at the end of the reporting period	20	<u>110,244</u>	<u>79,293</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

1 General information

In Civil Law, the Charities of the Roman Catholic Archdiocese of Dublin (“Charity”) is a charitable Trust, governed by a Trust Deed signed on 20 December 2017.

The objective of the Charity is to promote the advancement of the Roman Catholic religion by enabling the Archbishop to fulfil his canonical responsibilities, which include the following;

- i. advancement of religion;
- ii. advancement of education;
- iii. provision for priests and other clergy;
- iv. provision for the Diocesan Offices of the Archdiocese;
- v. promotion of Catholic ethos in all walks of life;
- vi. relief of poverty;
- vii. provision of physical infrastructure including but not limited to churches, parish centres, schools, hospitals, hostels for the homeless, places of accommodation and cemeteries and office premises whether directly or through any other charitable body or company; and
- viii. any other object recognised as charitable from time to time.

2 Statement of compliance

The Charity's financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK). The Charity's financial statements comply with Financial Reporting Standard 102, ‘The Financial Reporting Standard applicable in the UK’ (FRS 102). The financial statements have also been prepared in accordance with the recommendations of the Statement of Recommended Practice applicable to Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the Republic of Ireland Charities SORP (FRS 102).

3 Summary of significant accounting policies

(a) Basis of preparation

The preparation of financial statements in conformity with SORP 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 Charity'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 Charity's financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(b) Going concern

In preparing the financial statements, the Trustees have taken into consideration the going concern position for the Charity, particularly in light of the impact of the COVID-19 pandemic in the previous years. In the prior year, the Share collection reported by the related charity 'The Parishes and Schools of the Archdiocese of Dublin' faced challenges due to the suspension of public worship in churches for a significant duration. This resulted in a substantial decline in the regular weekly contributions to the Share Fund. However, churches reopened in 2022 for public worship, and the restriction on the numbers allowed to attend has been lifted, resulting in a gradual increase in the Share collection that supports the costs of the Diocesan Support Offices in the Curia, which is reported in this Charity.

In preparing forecasts beyond 12 months after the date of signing, the estimates and judgments made are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. A prudent approach has been taken in forecasting the potential future income from mass collections, taking into account various factors such as the potential impact of the war in Ukraine and changes in the economy. The Trustees acknowledge that external factors such as these may affect the Charity's finances and have taken steps to mitigate any potential risks.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(b) Going concern - continued

However, having considered the measures taken to address potential risks and the availability of unrestricted reserves, the Trustees are satisfied that the Charity has sufficient resources to continue operating for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

(c) Historical cost convention

The financial statements are prepared under the historical cost convention as modified by the measurement of certain financial assets at market value, the measurement of freehold land at fair value and the measurement of buildings at their deemed cost on transition to FRS 102.

Special and other charitable collections on behalf of other Charities have not been included in the Statement of Financial Activities, as they are not regarded by the Trustees as being funds of the Charity. Where any balance has not been paid to the respective organisation concerned, it has been included in creditors.

(d) Tangible fixed assets

(i) Freehold land

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 are no lands or buildings held for investment.

(ii) Freehold 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 2015. This 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. This acquisition cost was then depreciated over the buildings' useful life to arrive at their current net book value. This does not reflect the insurance value or the current market value of these assets.

(iii) Office equipment, fixtures and fittings and computer equipment

Office equipment, fixtures and fittings are carried at cost less accumulated depreciation and accumulated impairment losses.

Office equipment, fixtures and fittings over €5,000 are capitalised and depreciated over a 5-year period, and computer equipment over €1,000 is capitalised and depreciated over 3 years.

(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. 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.

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
Churches	100 years
Freehold buildings	50 years
Office equipment, computer equipment and fixtures and fittings	5 years
Computer equipment	3 years

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

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(e) Reserves accounting

The Charity maintains various types of funds as follows:

Unrestricted funds

This represents unrestricted income that is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

Restricted funds

These represent funds received, the use of has been specified by the donor for specific purposes. They cannot be used for purposes other than those indicated by the donor.

Designated funds

Designated funds comprise of unrestricted reserves that have been set aside by the Trustees for a particular purpose. They cannot be used for purposes other than those specified by the Trustees.

(f) Revenue recognition

(i) *Incoming resources*

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.

(ii) *Legacy income*

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 the executor have made notification 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.

(iii) *Rental income*

Rental income arising on the rental of properties and car park spaces held by the Charity is recognised as the rental income falls due.

(iv) *Deposit income*

Deposit income is recognised as the deposit income is earned.

(v) *Income from activities for generation of funds*

Includes income from activities such as parish and other events. This is described as social income and whilst this is recognised on a cash received basis, this is not materially different from an accruals basis.

(vi) *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.

(vii) *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 based on 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

3 Summary of significant accounting policies - continued

(g) Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activity. The annual management charge for the below noted funds are accrued and charged daily at overall fund level, and are reflected in the closing price of the relevant fund each day.

Insight Broad Opportunities Fund:	0.50% p.a.
Blackrock Dynamic Diversified Growth Fund:	0.55% p.a.
Pimco Global Real Return Fund:	0.49% p.a.

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.

(h) 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 Statement of Financial Activities.

(i) 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. The Revenue Commissioners introduced a VAT scheme for charities to apply for a VAT refund. In the current year, the Charity received 13% of its refundable VAT back. This VAT refund is disclosed as income.

(j) Administration costs

Administration costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Administration costs include back office costs, finance, human resources, communication, legal, payroll and governance costs which support the Charity's programmes and activities.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and 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.

(l) Internal transfer

Internal transactions and balances between funds are not eliminated from the balance sheet because if they were it would affect the reserves on an individual fund level.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(m) 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 trade and 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. Trade and 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 the SOFA. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset has estimated cash inflows discounted at the asset's original effective interest rate.

(ii) *Financial liabilities*

Basic financial liabilities, including trade and 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.

Trade and other creditors and bank loans and financial liabilities 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

(n) Provisions and contingencies

(i) *Provisions*

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the Charity has a present legal or constructive obligation because of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in statement of financial activities, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(n) Provisions and contingencies - continued

(ii) Contingencies

Contingent liabilities, arising because of past events, are not recognised as a liability because it is not probable that the Charity will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when and inflow of economic benefits is probable.

(o) Taxation

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

(p) Defined benefit pension plan

There is no longer any defined benefit pension schemes held in the Charity. The legacy, Mater Dei Institute of Education Pension Scheme closed 22 October 2022.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date. All liabilities and assets relating to the Mater Dei pension scheme were removed from the balance sheet of the Charity at year end.

The defined benefit obligation is calculated using the projected unit credit method. The Charity engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Charity's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other recognised gains.

These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 're-measurement of net defined benefit liability'. The cost of the defined benefit plan, recognised in statement of financial activities as employee costs, except where included in the cost of an asset, comprises:

- (a) the increase in pension benefit liability arising from employee service during the year; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the SOFA as 'Finance Expense'.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the Charity's financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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:

NOTES TO THE FINANCIAL STATEMENTS - continued

Critical accounting judgements and estimation uncertainty - continued

(a) 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 10, page 36 for the carrying amount of the tangible fixed assets, and note 3(d) for the useful economic lives for each class of tangible fixed assets.

(b) Impairment of debtors

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

(c) Provisions for compensation claims

The Trustees and its external advisers carry out an annual review in an effort to arrive at a provision relating to the alleged abuse of children by priests and religious holding diocesan appointments and in respect of the eventuality of future claims arising. This provision is based on experience. However, any estimate of the likely cost to the Charity must be regarded with a high degree of uncertainty. Provision for any changes in experience, if any, will be made when a reliable estimate of their effect can be determined.

(d) Defined benefit pension plan

Certain employees did participate in a defined benefit pension plan until October 2022. The calculation of the cost of these pension benefits and the present value of the defined benefit obligation incorporate a number of estimates and assumptions, including; life expectancy, salary increases, inflation and the discount rate on corporate bonds. The pension plan assets are measured at fair value at the end of each financial year. The assumptions and estimates used in calculating the cost for the financial year, the defined benefit obligation and the fair value of the plan assets at the end of each financial year reflect historical experience and current trends. See note 15, pages 38 to 40 for the disclosures relating to the defined benefit pension plan.

5 Income	Unrestricted Funds 2022 €'000	Restricted Funds 2022 €'000	Total Funds 2022 €'000
(i) Contributions from diocesan related charities			
Contribution from the Share Fund	2,572	-	2,572
Contribution from Parishes	253	-	253
Common Fund administration recharge	80	-	80
Clerical Fund administration recharge	32	-	32
Contribution from other related source	7	-	7
Property transaction contributions	48	-	48
Dublin Regional Marriage Tribunal	-	288	288
Diocesan tax related to sale of a Parish property	-	-	-
	<u>2,992</u>	<u>288</u>	<u>3,280</u>
(ii) Donations and legacies			
Donations	153	197	350
Legacies	133	5	138
Donation from Diocesan Agencies *	109	-	109
	<u>395</u>	<u>202</u>	<u>597</u>

* This is a notional donation to the Charity from the Diocesan Agencies. The Charity does not receive these donations from the Diocesan Agencies. The Diocesan Agencies pay these contributions to the pension scheme for the contributions on behalf of their employees.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Income – continued	Unrestricted Funds 2022 €'000	Restricted Funds 2022 €'000	Total Funds 2022 €'000
(iii) Income from charitable activities			
CPSMA	104	-	104
Cathedraticum	26	-	26
Retreats income	31	-	31
Garda vetting	60	-	60
Vat Compensation Scheme	42	-	42
Other	4	49	53
	<u>267</u>	<u>49</u>	<u>316</u>
(iv) Income from other activities			
Miscellaneous income	<u>19</u>	<u>123</u>	<u>142</u>
(v) Income from other trading activities			
Car park and other rental income	259	-	259
DCU amortisation of long term lease	196	-	196
	<u>455</u>	<u>-</u>	<u>455</u>
(vi) Investment and other income			
Bank interest (Received)	-	2	2
Investment income	132	14	146
	<u>132</u>	<u>16</u>	<u>148</u>
	Unrestricted Funds 2021 €'000	Restricted Funds 2021 €'000	Total Funds 2021 €'000
(i) Contributions from diocesan related charities			
Contribution from the Share Fund	1,877	-	1,877
Contribution from Parishes	251	-	251
Common Fund administration recharge	80	-	80
Clerical Fund administration recharge	32	-	32
Contribution from other related source	6	-	6
Property transaction contributions	58	-	58
Dublin Regional Marriage Tribunal	-	288	288
Diocesan tax related to sale of a Parish property	218	-	218
	<u>2,522</u>	<u>288</u>	<u>2,810</u>
(ii) Donations and legacies			
Donations	95	190	285
Legacies	542	-	542
Donation from Diocesan Agencies *	22	-	22
	<u>659</u>	<u>190</u>	<u>849</u>

* This is a notional donation to the Charity from the Diocesan Agencies. The Charity is not paid this by the Diocesan Agencies. The agencies pay these contributions to the pension scheme for the contributions on behalf of their employees.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Income – continued	Unrestricted Funds 2021 €'000	Restricted Funds 2021 €'000	Total Funds 2021 €'000
(iii) Income from charitable activities			
CPSMA	61	-	61
Cathedraticum	26	-	26
Garda vetting	52	-	52
Vat Compensation Scheme	50	1	51
Other	-	-	-
	<u>189</u>	<u>1</u>	<u>190</u>
(iv) Income from other activities			
Miscellaneous income	<u>59</u>	<u>10</u>	<u>69</u>
(v) Income from other trading activities			
Car park and other rental income	291	-	291
DCU amortisation of long term lease	196	-	196
	<u>487</u>	<u>-</u>	<u>487</u>
(vi) Investment and other income			
Bank interest (Received)	1	-	1
Investment income	757	10	767
	<u>758</u>	<u>10</u>	<u>768</u>
6 Expenditure	Unrestricted Funds 2022 €'000	Restricted Funds 2022 €'000	Total Funds 2022 €'000
(a) Analysis of expenditure			
(i) Expenditure on raising funds:			
Investment management fees	17	-	17
Fundraising/event costs	6	-	6
	<u>23</u>	<u>-</u>	<u>23</u>
(ii) Expenditure on Charitable activities:			
Pastoral activities	1,062	312	1,374
Grants to beneficiaries	564	643	1,207
Voluntary Redundancy costs	25	-	25
Educational Supports	286	-	286
Child safeguarding and protection services	397	-	397
Relocation Costs	1,307	-	1,307
Support costs (see 6b)	2,329	-	2,329
	<u>5,970</u>	<u>955</u>	<u>6,925</u>
(iii) Other expenditure:			
General Fund expenditure including pension fund expense and interest	(162)	-	(162)
(iv) Pension scheme – Net impact of changes	1,450	-	1,450
Total expenditure	<u>7,281</u>	<u>955</u>	<u>8,236</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Expenditure – continued	Unrestricted Funds 2022 €'000	Restricted Funds 2022 €'000	Total Funds 2022 €'000
(b) Support costs			
Diocesan offices support costs	1,773	-	1,773
Governance costs	556	-	556
	<u>2,329</u>	<u>-</u>	<u>2,329</u>
	Unrestricted Funds 2021 €'000	Restricted Funds 2021 €'000	Total Funds 2021 €'000
(a) Analysis of expenditure			
(i) Expenditure on raising funds:			
Investment management fees	14	-	14
Fundraising/event costs	265	17	282
	<u>279</u>	<u>17</u>	<u>296</u>
(ii) Expenditure on Charitable activities:			
Pastoral activities	778	224	1,002
Grants to beneficiaries	870	976	1,846
Educational Supports	331	-	331
Voluntary Redundancy costs	-	-	-
Child safeguarding and protection services	332	-	332
Relocation Costs	671	-	671
Support costs (see 6b)	1,780	-	1,780
	<u>4,762</u>	<u>1,200</u>	<u>5,962</u>
(iii) Other expenditure:			
General Fund expenditure including pension fund expense and interest	1,103	-	1,103
(iv) Pension scheme – Net impact of changes	<u>(4,371)</u>	<u>-</u>	<u>(4,371)</u>
Total expenditure	<u>1,773</u>	<u>1,217</u>	<u>2,990</u>
(b) Support costs			
Diocesan offices support costs	1,324	-	1,324
Governance costs	456	-	456
	<u>1,780</u>	<u>-</u>	<u>1,780</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Employee and Trustee information	2022	2021
	€'000	€'000
The average number of employees employed during the year was 38 (2021: 35).		
Staff costs:		
Salaries and wages	2,005	1,983
Seconded staff	-	107
Social security costs	203	192
Pension costs	235	248
Recruitment, training and other expenses	112	97
	<u>2,555</u>	<u>2,627</u>
Voluntary redundancy pay costs	25	-
	<u>2,580</u>	<u>2,627</u>

The Charity met the criteria for the Wages Subsidy Scheme for most of the Diocesan employees up to 30 April 2022.

During the year, the Charity received €92k (2021: €553k) from the economy-wide enterprise support scheme (EWSS).

In line with the FRS 102 requirement, a provision for holiday pay earned but not taken is included in the salary costs.

	2022	2021
	€'000	€'000
Number of employees whose emoluments for the year (including taxable benefits in kind but not employer pension contributions) were equal to or greater than €70k per annum.	<u>5</u>	<u>6</u>

	2022	2021
	Number of employees	Number of employees

The employees whose salaries are above €70k per annum can be analysed as follows:

Salary range:

€70k - €80k	-	-
€80k - €90k	2	3
€90k - €100k	1	-
€100k - €125k	2	3
	<u>5</u>	<u>6</u>

	2022	2021
	€'000	€'000
Total pension contributions in the year for the above employees amounted to:	<u>65</u>	<u>56</u>

The average salary per employee based on employees for the year is €53k (2021: €57k) before pension costs, social security costs, recruitment and training costs. The average costs increased during the year due to the additional salary costs incurred relating to the employees who applied for the voluntary redundancy such as salary costs relating to pay in lieu of notice and holiday pay costs. This average salary does not include the two-seconded staff. The average cost per employee based on 38 staff (2021: 36) for the year including seconded staff, social security costs, pension costs, recruitment and training is €67k (2021: €72k).

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Employee and Trustee information - continued

Trustees

Trustees do not receive any remuneration by virtue of their position as Trustees. All of the Trustees are serving clergy

No Trustees received any expenses in their capacity as Trustees during the year (2021: none).

There were no loans advanced to Trustees during the years and no loans outstanding at 31 December 2022.

Voluntary workers

In addition to employees, the Charity has a number of unpaid volunteers who help in a number of capacities.

Key management compensation

Key management is defined as members of the management team who are making key management decisions. Key management includes two clerics, the Archbishop and the Moderator of the Curia and the Financial Administrator and Head of Operations. The clergy are not remunerated from this Charity. They are remunerated from the Common Fund, which is a restricted fund in the related charity, 'Parishes and Schools of the Diocese of Dublin'. The total compensation paid or payable to key management for employee services is shown below:

	2022 €'000	2021 €'000
Total key management compensation	<u>136</u>	<u>126</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Summary of Restricted, Unrestricted and Designated Fund movements from 1 January 2022 to 31 December 2022

	Fund balances brought forward €'000	Income €'000	Expenditure €'000	Transfers between funds €'000	Gains / (Losses) (realised & unrealised) €'000	Fund balances carried forward €'000
<u>Restricted funds:</u>						
O'Brien Institute	1,646	4	(161)	(35)	(109)	1,345
Burse Fund	3,757	31	(69)	(11)	(238)	3,470
Poor of Dublin	702	-	(38)	(41)	-	623
Mission Fund	1,070	-	(69)	(17)	(52)	932
Irish Martyrs	2,353	-	-	(6)	(147)	2,200
New Cathedral Fund	878	-	(35)	-	(65)	778
Harrington Street Trust	652	1	-	-	-	653
Sundry Investment	80	-	-	-	-	80
Peters Pence	6	144	(135)	(14)	-	1
Dublin Regional Marriage Tribunal	40	303	(246)	(21)	-	76
Dublin Diocesan Pilgrimages to Lourdes	479	75	(38)	(2)	-	514
Our Lady Choral Society	49	120	(109)	(1)	-	59
Mater Dei Educational and Research Trust	365	-	(55)	(2)	-	308
Total Restricted Funds	12,077	678	(955)	(150)	(611)	11,039
<u>Unrestricted funds:</u>						
Diocesan Support Offices	-	3,218	(3,835)	617	-	-
General Fund unrestricted funds	22,068	910	(506)	(467)	(1,129)	20,876
Total Unrestricted Funds	22,068	4,128	(4,341)	150	(1,129)	20,876
<u>Designated funds:</u>						
General Fund designated funds	63,729	-	(1,307)	-	29,082	91,504
Total Designated Funds	63,729	-	(1,307)	-	29,082	91,504
TOTAL FUNDS	97,874	4,806	(6,603)	-	27,342	123,419

Note: The detail and the purposes of these restricted, unrestricted and designated funds is detailed in the Activity Report.

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Statement of financial position analysed by its unrestricted and restricted elements as at 31 December 2022

	Unrestricted 2022 €'000	Restricted 2022 €'000	Total 2022 €'000	Total 2021 €'000
Fixed assets				
Tangible assets	1,180	47	1,227	1,089
Investments	14,296	5,888	20,184	23,457
Total fixed assets	15,476	5,935	21,411	24,546
Current assets				
Debtors	6,619	91	6,710	6,429
Cash on deposit	24,895	2,988	27,883	28,284
Cash at hand and in bank	79,111	3,250	82,361	51,009
Total current assets	110,625	6,329	116,954	85,722
Liabilities				
Creditors: amounts falling due within one year	(3,669)	(1,225)	(4,894)	(3,329)
Total assets less current liabilities	122,432	11,039	133,471	106,939
Creditors: amounts falling due after more than one year				
Provisions for liabilities and charges	(10,052)	-	(10,052)	(10,836)
Net assets excluding pension liability	112,380	11,039	123,419	96,103
Defined benefit pension scheme deficit	-	-	-	1,771
Total net assets	112,380	11,039	123,419	97,874
The funds of the Charity	112,380	11,039	123,419	97,874

10 Tangible assets

	Land and buildings €'000	Computer equipment, fixtures & fittings €'000	Total tangible fixed assets €'000
Cost or valuation			
At 1 January 2022	2,436	1,498	3,934
Additions and transfer from other funds	-	823	823
Disposals	(1,142)	(170)	(1,312)
At 31 December 2022	1,294	2,151	3,445
Accumulated depreciation			
At 1 January 2022	(1,491)	(1,354)	(2,845)
Depreciation transfer and charge for the financial year	572	55	627
At 31 December 2022	(919)	(1,299)	(2,218)
Net book value amount			
Net book value at 31 December 2021	945	144	1,089
Net book value at 31 December 2022	375	852	1,227

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Investments	2022 €'000	2021 €'000
Quoted investments at valuation	20,184	23,457
	<u>20,184</u>	<u>23,457</u>
Cash on deposit	27,883	28,284
Total value	<u>48,067</u>	<u>51,741</u>

The investments are stated at market value.

2022 €'000	2021 €'000
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The movement in quoted investments during the year was as follows:

Opening market value	23,457	21,546
Additions	362	-
Withdrawals/Disposals	(1,138)	(500)
Management fees	(17)	(15)
Net realised gains on investments	228	65
Net unrealised (losses)/gains on investments	(2,672)	2,064
Net unrealised (losses)/gains on investments held for related parties	(1)	196
Net unrealised (losses)/gains on investments held for third parties	(35)	101
Closing market value	<u>20,184</u>	<u>23,457</u>

The analysis of investments category is as follows:

Absolute Returns	15,347	17,947
Real return index linked bonds	362	-
Quoted equity	3,602	4,601
Investments in shares held direct	873	909
	<u>20,184</u>	<u>23,457</u>

12 Debtors	2022 €'000	2021 €'000
Other receivables and prepayments	720	397
Amounts due from related Charities	746	808
Finance lease receivable	5,244	5,224
	<u>6,710</u>	<u>6,429</u>

13 Creditors: amounts falling within one year	2022 €'000	2021 €'000
Creditor and other accruals	(2,807)	(2,098)
Amounts due to related Charities	(2,087)	(1,231)
	<u>(4,894)</u>	<u>(3,329)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Finance leases

The future minimum lease payments are as follows:

	2022 €'000	2021 €'000
Not later than one year	179	175
Later than one year and not later than five years	728	891
Later than five years	32,723	33,450
Total future minimum lease payments	<u>33,630</u>	<u>34,516</u>

The finance lease relates to the long-term lease of St. Patrick's College, Drumcondra to DCU College for an annual rent of €175k with CPI applied every 5 years. CPI was not applied in the current year and will be reviewed again next year. The period of the years is 150 years. The remaining lease terms are 143 years and 9 months.

15 Pension commitments

Since October 2022 the Charity no longer holds any defined benefit pension schemes. Following the dissolution of the Catholic Diocese of Dublin Pension Plan (CDPP) in the prior year. This year, the Mater Dei Institute of Education Pension Scheme was dissolved. This is a legacy scheme for members of the former Mater Dei Institute of Education College who were previously members of the Catholic Diocese of Dublin Pension Plan (CDPP) until they were carved out when the College was merging with DCU in 2016. The Archdiocese was the sponsor of this scheme and therefore the pension scheme was reported in this Charity. In order for the College to meet the pension contributions required in the Mater Dei Pension Scheme the Charity donated this income to the scheme.

The Archdiocese of Dublin issued a notice of termination of contributions to the trustees of the Mater Dei Pension Scheme during the year. The Mater Dei Pension Scheme trustees resolved to wind up the pension scheme. Settlement occurred on 31 October 2022. As the scheme held a funding surplus no further contributions were required. Annuities were purchased for pensioner members during October 2022 and transfer values for non-pensioner members were made.

The wind up of the Mater Dei Pension Scheme resulted in a net surplus of assets being removed from the Statement of Financial Position. In accordance with FRS 102 the wind up is deemed to be a settlement and curtailment loss of €1,450k and is reported in the SOFA. The curtailment and the settlement relate to the same event, the closure of the scheme and therefore they have been treated as one.

This is a non-cash item within the Charity and reflects the settlement of the pension liabilities using the Scheme assets. The closure of the Scheme and the net changes in the assumptions of the Scheme which are detailed below in the table have resulted in the assets and liabilities held in the Statement of Financial Position being nil at the year-end (2021: surplus of €1,771k).

Independent consulting actuaries carried out a comprehensive actuarial valuation of the Scheme, using the projected unit credit method, at 31 October 2022. Adjustments to the valuation at that date have been made based on the following assumptions:

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Pension commitments - continued

Key assumptions	2022	2021
Discount rate	3.80%	1.45%
Rate of increase in Consumer Price Index - Inflation	2.65%	2.00%
Rate of increase in salaries	0.00%	2.55%
Revaluation	2.65%	2.00%

	2022 Years	2021 Years
The mortality assumptions used were as follows:		
Longevity at age 65 for current pensioners:		
- men	21.4	22.4
- women	24.0	24.1

	2022 €'000	2021 €'000
Assets and liabilities of the Plans:		
Assets:		
- equities	-	-
- bonds	-	8,342
- absolute return fund	-	-
- cash and other	-	2,796
Total value of assets	-	11,138
Present value of funded liabilities	-	(9,367)
Total surplus	-	1,771

	Assets €'000	Liabilities €'000	2022 Total €'000	2021 Total €'000
Reconciliation of schemes' assets and liabilities:				
At 1 January 2022	11,138	(9,367)	1,771	(4,763)
Benefits paid	(380)	380	-	-
Experience gains	-	(149)	(149)	851
Employer contributions	59	-	59	2,814
Settlement & curtailment (loss)/gain	(8,256)	6,856	(1,400)	4,803
Current service cost	-	-	-	(226)
Administration costs	(72)	-	(72)	(206)
Interest on plan assets/(liabilities)	132	(111)	21	(63)
Actuarial loss	(2,621)	-	(2,621)	(697)
Change in financial assumptions	-	2,391	2,391	(742)
At 31 December 2022	-	-	-	1,771

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Pension commitments - continued	2022 €'000	2021 €'000
The amounts recognised in the statement of financial activities are as follows:		
Interest cost	(111)	(820)
Expected return on scheme assets	132	757
Other finance expense	<u>21</u>	<u>(63)</u>
Current service costs	-	(226)
Administration costs	(72)	(206)
Net (losses)/gains on settlements and curtailments	<u>(1,450)</u>	<u>4,803</u>
(Expenditure)/ Income recognised in the SOFA – (non-cash transactions)	<u>(1,501)</u>	<u>4,308</u>

The amounts recognised in the statement of financial activities - other recognised gains & losses are as follows:

Actual (gains)/losses less expected return on scheme assets	(2,621)	(697)
Experience (losses)/gains on liabilities	(149)	851
Change in assumptions underlying the present value of the scheme liabilities	<u>2,391</u>	<u>(742)</u>
Actuarial gains recognised on defined benefit pension scheme	<u>(379)</u>	<u>(588)</u>

The actuarial loss recognised in the statement of financial activities in other recognised gains for the financial year ended 31 December 2022 is €379k compared to the prior year a gain was recognised in the statement of financial activities (2021: €588k).

	2022 €'000	2021 €'000
Actual return on plan assets	<u>(2,621)</u>	<u>(697)</u>

16 Provisions for liabilities and charges	2022 €'000	2021 €'000
At beginning of the year	10,836	9,811
<i>Movement in the year:</i>		
Net changes in provision	(352)	193
Payments made during the year	(432)	(468)
Transfers made during the year	-	1,300
Closing provision	<u>10,052</u>	<u>10,836</u>

The Trustees are aware of claims for compensation in connection with the alleged abuse of children by diocesan and religious order priests holding diocesan appointments.

The Trustees and its external advisers carry out an annual review in order to determine a provision in respect of claims notified and the eventuality of future claims arising.

Also included in the provision is a specific provision held relating to St. Patricks College, Drumcondra following the transfer of a provision of €1.3m into the Charity. This provision is for any potential future CSA cases that they may not be aware of relating to St. Patricks College, Drumcondra.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Reserves note

Reserves at 31 December 2022

	2022 €'000	2021 €'000
Unrestricted reserves	20,876	22,068
Designated reserves	91,504	63,729
Restricted reserves	11,039	12,077
Total reserves	<u>123,419</u>	<u>97,874</u>

The Charity has a reserves policy to ensure that it has sufficient reserves to continue to develop its mission long into the future and to meet its committed expenditure as it falls due. The reserves policy includes only the unrestricted reserves, and in line with FRS 102, the policy does not include the restricted reserves of the Charity, as these restricted reserves must be spent only on the purposes specified by the donors and the designated funds which are funds set aside for essential future commitments.

Unrestricted Funds

The unrestricted funds of the Charity at 31 December 2022 are €20,876k. The composition of these funds are:

- €5,244k relates to the discounted present value of the annual rent for the 150-year finance lease of St. Patricks College, Drumcondra with DCU.
- €328k relates to the net book of the unrestricted tangible fixed assets on the balance sheet.
- The remaining €15,304k is made up of investments and other assets, net of the liabilities and provisions and thus constitute the available unrestricted funds 'free reserves'.

Level of target reserves to be retained within unrestricted funds

Given the recent pandemic that resulted in restrictions to public worship and government guidelines that prohibited the passing of collection baskets along the pews from March 2020 to February 2022 which directly impacted church attendance, which in turn seriously impacted the donations to Mass collections. As a result, the Trustees are prudently holding a level of unrestricted reserves in the Charity that can help to support the fixed costs of the Charity if donations were to cease or drop significantly again.

Mass collections have not returned to pre pandemic levels even though the restrictions are now lifted, parishes are not seeing the attendances that was there before the pandemic. Given the scale of the Archdiocese, it is recommended that the level of unrestricted reserves is sufficient to meet expected and unforeseen liabilities. These reserves need to be held to meet the ongoing expenditure in the General Fund. The reserves are also the source of support for the related charity, "The Parishes and Schools of the Archdiocese of Dublin".

There continues to be an annual deficit and not sufficient levels of donations to meet the fixed costs. An example of such fixed costs are the stipends to priests of the Archdiocese, nursing home costs, costs associated with supporting sick and retired priests, financial support for poorer parishes within the Archdiocese of Dublin and the costs of running the diocesan offices that support the parishes. In the last two years the following action has been taken in order to reduce the fixed costs of the Charity, a voluntary redundancy programme was held where staff numbers reduced by 50% to 40 employees. In the prior year the Dublin Diocesan defined benefit pension was closed in a further effort to reduce costs. A strategic review has taken place to determine how diocesan offices can best provide support services to parishes into the future. The Charity has to hold reserves to help support some of the fixed costs listed above in the case of another pandemic or any other potential issue that would affect donations such as bad weather.

The Trustees believe, taking into account the fixed costs of this Charity and the related charity, "The Parishes and Schools of the Archdiocese of Dublin" it is prudent for the Charity to target a minimum sustainable level of tangible reserves with a minimum value of a range of between €12,000k and €17,000k. It is noted that the level of unrestricted funds that is available to constitute the tangible reserves of the Charity is €16,256k (2021: €14,834k) at 31 December 2022. The Trustees will aim to increase the level of available funds to achieve the target reserves figure on an ongoing basis. The Trustees will continue to keep the level of reserves under review and will adjust the target level in the light of future developments.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Reserves note - continued

Designated Funds

Holy Cross College, the Charity's primary fixed asset has now been sold and is being converted into cash reserves. The Trustees have designated these reserves of €91,504k (2021: €63,729k) for future strategic investment, as outlined in the review for the financial year. The Charity does not have any further surplus fixed assets to sell once these designated reserves are expended. The Charity is not accumulating reserves; it is adopting a prudent approach to ensure the Charity has sufficient reserves to allow the Diocese and the parishes continue the mission of the Catholic Church into the long-term future.

Restricted Funds

The restricted reserves within this Charity are €11,039k (2021: €12,077k). These reserves are legally restricted and decisions on the appropriate level of reserves for each of the restricted funds are considered taking into account the particular objects and requirements of each of these funds. See note 8, page 35 for a breakdown of these restricted reserves.

18 Contingencies

The Charity has contingent liabilities as a result of guaranteed borrowings in respect of the 'Parishes and Schools of the Diocese of Dublin' at 31 December 2022, which amounted to €3,396k (2021: €4,000k).

19 Reconciliation of net incoming resources to cash outflow from operating activities	2022	2021
	€'000	€'000
Net (expenditure)/income for the reporting year before gains and transfers	(3,298)	2,183
Transfers during the financial year	-	(23)
Dividend, interest and rent from investments	(146)	(767)
Investment management fees	17	14
Pension adjustments regarding the multi-employer scheme	(379)	(588)
Depreciation	(627)	83
(Increase)/decrease in debtors	(281)	801
Increase in creditors	1,565	447
Increase/(decrease) in pension deficit	1,771	(6,534)
Change in provision for liability and charges	(784)	1,025
	<u>(2,162)</u>	<u>(3,359)</u>

20 Analysis of changes in cash and cash equivalents	2021	Cash flows	2022
	€'000	€'000	€'000
Cash in hand in bank current and deposit accounts and net of bank overdrafts	<u>79,293</u>	<u>30,951</u>	<u>110,244</u>

21 Transfers between funds	2022	2021
	€'000	€'000
Transfers between funds within the Charity	<u>150</u>	<u>144</u>

The 2022 transfer between funds relates to administration recharges for the support services that the Diocesan Offices provides to the various funds within the Charity. These recharges also cover a portion of the associated governance costs and annual audit fees. These transfers are between funds within the Charity and therefore net out to zero on consolidation.

NOTES TO THE FINANCIAL STATEMENTS - continued

22 Related party transactions	2022 €'000	2021 €'000
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The Charity had the following related party and Charity transactions with other diocesan Charities during the year:

(i) Parishes and Schools of the Diocese of Dublin (CRA 20016166)-income	2,992	2,522
(ii) DRMT subventions from other dioceses	278	288
	<u>3,270</u>	<u>2,810</u>

These related party transactions relate to income received in the Diocesan Offices, the largest being from the contribution from the Share Fund of €2,992k (2021: €2,522k) to help finance central support services costs.

	2022 €'000	2021 €'000
(iii) Crosscare (CRA 20010942) – income	-	13
Crosscare (CRA 20010942) – expenditure	-	(378)
Crosscare (CRA 20010942) – net expenditure	<u>-</u>	<u>(365)</u>

In the prior year, the related party income relates to income received from Crosscare for office space in Holy Cross College.

The prior year expenditure to Crosscare represents the grant payments totalling €378k that were provided to support relocation of head office from Holy Cross Centre to St. Mary's Dorset Street.

	2022 €'000	2021 €'000
(iv) Mater Dei Institute of Education (CRA 20010287)	<u>-</u>	<u>(100)</u>

In the prior year, related party transactions relate to pension contributions paid to the Mater Dei pension scheme on behalf of Mater Dei employees for service accrued.

	2022 €'000	2021 €'000
(v) Accord (CRA 20014100) – income	-	-
Accord (CRA 20014100) - expenditure	-	(30)
	<u>-</u>	<u>(30)</u>

In the prior year the related expenditure relates to a grant to Accord in the amount of €30k.

	2022 €'000	2021 €'000
(vi) Irish Episcopal Conference (IEC) Maynooth – income	25	25
Irish Episcopal Conference (IEC) Maynooth – expenditure	-	-
	<u>25</u>	<u>25</u>

This income relates to World Meeting of Families 2018 solidarity fund. The Charity gave a €100k loan to the solidarity fund to help meet with the deficit in the WMOF 2019. It was agreed that €25k would be paid back each year over the next four years. The WMOF charity was liquidated and the charity number is in the process of being wound up. Therefore, the income is due from the Irish Episcopal Conference (IEC) in Maynooth.

NOTES TO THE FINANCIAL STATEMENTS - continued

22 Related party transactions – continued	2022	2021
	€'000	€'000
(vii) St. Patrick's College Drumcondra – income	-	-
St. Patrick's College Drumcondra – expenditure	-	(216)
	<u>-</u>	<u>(216)</u>

In the prior year, expenditure relates to a €216k donation that the charity gave to St. Patrick's College Drumcondra to ensure they had sufficient assets to meet their liabilities on the date of transfer to the Charity.

(viii) The Charity had the following related party balances (payable to)/ receivable from at 31 December:

	2022	2021
	€'000	€'000
Parishes and Schools of the Diocese of Dublin & other related parties	(1,540)	(582)
Inter fund related party payable balances	(547)	(602)
Crosscare	-	(47)
Related Party - payable balances	<u>(2,087)</u>	<u>(1,231)</u>
Parishes and Schools of the Diocese of Dublin & other related party balances	174	133
Irish Episcopal Conference (IEC) Maynooth (WMOF 2018 Solidarity Fund)	25	50
Loan to a related party	-	23
Interfund related party balances	547	602
Related Party - receivable balances	<u>746</u>	<u>808</u>
Net related party payable balances	<u>(1,341)</u>	<u>(423)</u>

Related party disclosure in relation to the Diocesan pension scheme

Diocesan agencies

The following are notional transactions relating to the multi-employer pension scheme. All contributions by the Charity and Diocesan Agencies are paid directly to the scheme administrator, however because the overall liability of the fund is disclosed in the Charity's financial statements, the following transactions are reported as a notional capital contribution towards the Charity.

	2022	2021
	€'000	€'000
Donation and legacies	<u>109</u>	<u>22</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

22 Related party transactions - continued

Below are income and expenditure in the Statement of Financial Activities (SOFA) with regard to the multi-employer pension scheme:

	2022 €'000	2021 €'000
Included within the following category within the SOFA:		
Service costs – other expenditure	(72)	(432)
Settlement and Curtailment gains – pension schemes – net impact of changes	(1,450)	4,803
Interest expenses – other expenditure	(111)	(820)
Interest income – investment income	132	757
Net non-cash income recognised in the SOFA with regards to the pension schemes	(1,501)	4,308
Contributions paid within this Charity – charitable expenditure	109	292
Total net income transactions in the SOFA relating to the pension schemes	(1,392)	4,600
Other recognised gains/(losses)		
Actuarial (losses) in defined benefit pension scheme	(379)	(588)
Net non-cash transactions in SOFA from closure of Mater Dei Pension Scheme	(1,771)	4,012
Balance sheet		
Creditors falling due after more than one year - defined benefit pension schemes	-	1,771

23 Transfer of fixed assets and net reserves from other related Charities

	2022 €'000	2021 €'000
<i>Transfers of fixed assets and net reserves from/(to) other related Charities:</i>		
Transfer of St. Patrick's College assets to the General Fund	-	1,300
Transfer of St. Patrick's College liabilities to the General Fund	-	(1,300)
Transfer of St. Patrick's College net reserves to the General Fund	-	-

During the prior year St. Patricks College, Drumcondra (SPD) charity transferred its net reserves into the umbrella structure of the Charity. The net value of these reserves are €Nil. This is because the value of the assets transferred were €1,300k however, liabilities of the same value, were also transferred.

24 Gains on the disposal of fixed assets

The surplus Holy Cross College land and buildings were sold to the GAA. The sales contract agreed to sell these surplus lands in four tranches. This gain disclosed in the financial statements for 2022 relates to the gain arising from the disposal of the fourth and final tranche of the land and buildings that were contractually sold to the GAA. This gain arises as the accounting policy of the Charity valued this Holy Cross College land and buildings at its current value in use.

25 Events after the end of the reporting period

There were no material subsequent events to disclose.

26 Approval of financial statements

The financial statements were approved by the Trustees on 31 October 2023.