

Charities of the Roman Catholic Archdiocese of Dublin

Annual Financial Report

Financial Year Ended 31 December 2023

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TRUSTEES AND OTHER INFORMATION

Trustees	Most Reverend Archbishop Dermot Farrell Most Reverend Bishop Donal Roche (Appointed Auxiliary Bishop 5 March 2024) Most Reverend Bishop Paul Dempsey (Appointed Auxiliary Bishop 10 April 2024) Right Reverend Monsignor John Dolan Very Reverend Gareth Byrne Very Reverend Monsignor Ciaran O'Carroll St Laurence O'Toole Diocesan Trust
Finance Committee	Mr Eamonn Griffin (Chairperson) Very Reverend Andrew O'Sullivan Very Reverend Robert Smyth Very Reverend Philip Curran (Resigned 24 October 2023) Very Reverend Kevin Bartley (Appointed 24 October 2023) Mr Tom Foley Mr Terence O'Rourke Ms Maree Gallagher Ms Helen Kelly Ms Michele McGuirk Dr William Nowlan Mr Kevin Hoy (Appointed 16 May 2023) Ms Anne O'Dwyer (Appointed 13 June 2024)
Property Committee	Dr William Nowlan (Chairperson) Very Reverend John Bracken Ms Krystyna Rawicz Mr Mark Dunleavy Mr Kevin Hoy (Appointed 16 May 2023) Ms Pauline Byrne (Appointed 4 May 2023)
Investments Committee	Ms Michele McGuirk (appointed Chairperson 23 April 2024) Mr Jim Golden Mr David Frame (Appointed 3 May 2023) Reverend Bernard Meade, C.M. (RIP 1 August 2023) Ms Leona Nicholson (Appointed 23 April 2024)
Audit Committee	Mr Terence O'Rourke (Chairperson) Mr Tom Foley (Acting Chairperson 11 March 2024) Very Reverend Robert Smyth Ms Anne O'Dwyer (Appointed 13 June 2024)
Financial Administrator and Head of Operations	Ms Íde 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
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 Office for Mission and Ministry and provides Parishes with expertise on matters of Finance and Property, Financial development, 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 14.

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. Pope Francis recently appointed Very Reverend Donal Roche and Most Reverend Paul Dempsey as Auxiliary Bishops of Dublin on 5 March 2024 and 10 April 2024, respectively.

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 review and approve the trustees report and the audited financial statements, with additional meetings occurring at least quarterly.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

GOVERNANCE – continued

The Trustees review and consider if the Charity meets the CRA Governance Code. Measures continue to be taken to ensure all requirements of this Code are met within the Trust. Trustees receive training ongoing on the Governance Code. The Trustees confirm that the Charity is compliant with the Governance Code.

Financial Oversight and Advisory Structure

Dublin Diocesan Finance Committee

The Dublin Diocesan Finance Committee (“DDFC”) is a non-executive committee currently comprising twelve members, of whom three are priests and nine 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.

Subcommittees of the DDFC

The Property Committee: Plays an important role in advising and assisting the Charity in managing its properties effectively. The Property Committee comprises of six members, 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 the 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: Comprises of four co-opted independent members. 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 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.

Additional Advisory Bodies

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.

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 pages 2 and 3.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

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
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 bear the responsibility for ensuring reasonable assurance in several key areas:

- Compliance with pertinent laws and regulations by the Charity;
- Efficient and effective operations of the Charity;
- Protection of the Charity's assets from unauthorised use or disposal; and
- Maintenance of accurate records and the reliability of financial information used internally or for external publication by the Charity.

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

- Approval of an annual budget for the Diocesan Offices' activities by the Archbishop;
- Routine review of financial outcomes, deviations from budgeted figures, investment results, and benchmarking analyses by the DDFC, Audit Committee, and Investments Committee;
- Established protocols for delegation of authority, segregation of duties and formal supervision structures;
- Engagement of an external firm for internal audit purposes.

The Charity has in place a risk review process, ensuring that potential risks are documented in a Risk Register. This process encompasses the identification and evaluation of risks across all departments, utilising a Red, Amber, Green (RAG) scoring system to assess their severity. The Audit Committee, along with the Trustees, conduct an annual examination of the Risk Register to ensure robust oversight and management of risks.

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:

- Advancement of the Roman Catholic religion;
- Promotion of educational initiatives;
- Support and provision for priests and other members of the clergy;
- Operational support for the Diocesan Offices of the Archdiocese;
- Encouragement and promotion of Catholic ethos in all walks of life;
- Efforts aimed at alleviating poverty;
- Development and maintenance of physical infrastructure related to the Charity's activities.

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 14) sets out in detail the activities of the different functions of the Charity in the year.

THE ROLE OF VOLUNTEERS

The Charity greatly benefits from the dedication and expertise of numerous volunteers, who generously contribute their time and skills by participating in various committees and on the pilgrimages to Lourdes. The commitment and frequency of these engagements vary, with some volunteers serving on committees that meet monthly, while others participate in sub committees and groups that convene several times a year. This collective volunteer effort plays an important role in the operational success and community engagement of the Charity.

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 hold the responsibility for overseeing the management of the Charity's funds, consulting diocesan and financial experts for guidance. The funds are categorised into restricted, designated, and unrestricted, with almost all of the Charity's restricted funds no longer actively receiving donations. Income for these restricted funds primarily stems from long-term investments. The Trustees are committed to ensuring that the funds are managed and allocated responsibly. The Trustees ensure that all restricted funds are spent in accordance with their objectives. There are currently no plans to proactively increase the reserves of specific restricted funds, namely The O'Brien Institute Fund, the Poor of Dublin Fund, the Mission Fund, and the Irish Martyrs Fund. Through careful management and prudent financial oversight, the Trustees aim to deploy the Archdiocese's resources effectively in support of its mission.

Over the course of the financial year, the management of the restricted funds was aligned with their specified purposes. The activity report, provided on pages 8 to 14, offers detailed insights into the income generated and the disbursements made during the year.

Income

The total income for the Charity increased by €244k or 5%, in the current year to €5,182k (2022: €4,938k). The income can be analysed further:

Contributions from diocesan related charities increased by €577k or 18%, to €3,857k in the current year (2022: €3,280k) (see note 5 (i) pages 32 and 33). 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. In the current year, the Share Fund contribution to the Charity increased by €591k or 23% to €3,163k (2022: €2,572k).

Income from other trading activities has increased by €26k or 6%, to €481k (2022: €455k). This increase is primarily due to Car park and rental income, which amounted to €26k.

Income from charitable activities increased by €106k or 34%, to €422k in the current year (2022: €316k). Notable changes relate to Garda Vetting and VAT Compensation scheme income increased by €30k and €25k, respectively.

Donations and legacies has decreased by €310k or 52%, to €287k in the current year (2022: €597k), primarily due to lower legacies received in 2023.

Income earned from other activities has decreased by €30k or 21%, to €112k in the current year (2022: €142k).

Investment and other income decreased by €125k or 84%, to €23k in the current year (2022: €148k). This decrease was primarily due to a decrease in investment income €139k.

Expenditure

Total expenditure incurred in furthering the objectives of the Charity decreased by €2,538k or 31%, to €5,698k in the current year (2022: €8,236k). This decrease can be attributed to a variety of factors, which can be explored further:

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

FINANCIAL REVIEW OF THE YEAR – CONTINUED

Expenditure - Continued

Expenditure on charitable activities has decreased by €943k or 14%, to €5,982k in the current year (2022: €6,925k) (see note 6(ii) page 34 and 35). Notable changes include a decrease in Relocation costs by €1,266k and an increase in Staff Salaries by €230k. Additionally, Staff Recruitment and Training expenses rose by €97k.

The cost of raising funds has increased by €27k or 117%, to €50k in the current year (2022: €23k).

Pension Scheme - net impact of changes remained at zero in the current year, following the scheme's closure in the prior year 2022, (2022: €1,450k).

Expenditure on other activities decreased €172k or 106%, to a positive credit balance of €334k in the current year (2022: €162k).

Investments

Net Gains on investments the Charity experienced a significant turnaround in investments with net gains of €6,538k compared to net losses in the previous year (2022: €2,444k). This indicates a strong recovery in the value of investments. These net gains can be broken down further between realised and unrealised gains and losses on investments. The Charity reported realised gains of €990k (2022: €228k) on investments disposed during the year. The investments made unrealised gains of €5,548k in the current year (2022: unrealised losses of €2,672k). It is important to note that these unrealised gains reflect the market value of investments at a specific point in time and may fluctuate based on market conditions.

Gains on the disposal of fixed assets reported no gains in the current year, a decrease of €31,666k or 100% from the previous year. This is primarily due to the completion of tranche four, the final tranche of the Holy Cross College disposal in the preceding year (2022: €31,666k).

The actuarial impact on the defined benefit pension scheme was nullified to zero, increasing by €379k or 100%, following the Mater Dei benefit pension scheme's closure in the previous year (2022: Actuarial losses €379k).

Reserves

Net movement in funds in the current year decreased by €19,524k or 76% to €6,021k (2022: €25,545k).

At 31 December 2023, the Charity's total reserves increased by €6,021k to €129,440k (2022: €123,419k). 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 €10,721k (2022: €11,039k), designated reserves of €96,122k (2022: €91,504k) and unrestricted reserves of €22,597 (2022: €20,876k) (see note 17 pages 42 to 44).

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 and grants and payments that do not meet the objectives of the restricted funds. The fund meets the costs arising from clerical sexual abuse claims. The provision for current and future claims decreased by €1,243k to €8,809k in 2023 (2022: €10,052k).

The balance in the General Fund at 31 December 2023 is €22,597k (2022: €20,876k).

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 €178k to €4,013k in the current year (2022: €3,835k) (see note 8, page 38). This increase is mainly due to the reduction in the grants received in the prior year relating to the pandemic resulting in increased costs.

The Diocesan Support Offices comprise:

- **Office of Mission and Ministry**

Purpose: To enhance faith development and engagement across all communities within the Archdiocese.

Activities: The office provides comprehensive resources and training to encourage active participation in Parish life. It offers ongoing formation programs for Parish Pastoral Councils, delivers adult faith formation sessions, provides liturgical resources, and promotes leadership among youth and young adults.

Impact: A significant highlight from this year's activities includes the introduction of a new Catechesis course by the Office, which has successfully enrolled 55 participants, demonstrating the community's engagement and enthusiasm for learning and faith development.

- **Education Secretariat**

Purpose: To support the governance of Catholic Primary and Secondary Schools and liaise with educational authorities on behalf of the Archbishop.

Activities: The Educational Secretariat assists in managing governance issues for 451 Catholic Primary Schools and liaises with the trustees of 108 Catholic Post-Primary Schools and other educational institutions. It also supports chaplains in third-level colleges.

Impact: The secretariat ensures that schools operate within the regulatory framework, enhances the educational experience for students, and maintains the Church's educational standards and presence across educational institutions.

- **Vocations Office**

Purpose: To promote and support vocations to the priesthood and permanent diaconate within the Archdiocese.

Activities: The office engages in active recruitment and support for individuals discerning or pursuing vocations, providing guidance and training for seminarians and candidates for the diaconate.

Impact: The sustained support and development of new clergy contribute to the pastoral care and spiritual leadership within the Archdiocese, ensuring continued guidance and engagement at the community and Parish levels.

- **Office of the Moderator**

Purpose: To oversee the coordination and support of the Diocesan Offices, enhancing their collective effectiveness in serving the clergy, Parishes, schools, and the broader community.

Activities: The office manages key administrative functions including the appropriate administration of the Archdiocese's assets, guidance on employment and human resources, information technology, property management, and building projects. It coordinates major initiatives like the *Building Hope* pastoral strategy and oversees legal and compliance issues through internal and external legal resources. Additionally, the office manages communications, media, and public relations, ensuring effective collaboration across the Diocese.

Impact: By providing unified support and oversight, the Office of the Moderator ensures a cohesive and efficient operation of the Diocese's administration and strategic initiatives. This unified approach enhances the internal operations and community outreach of the Diocese, strengthening its capacity to support its mission and the Parishes it serves.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - CONTINUED

1. UNRESTRICTED FUNDS - Continued

• **Child Safeguarding and Protection Services**

Purpose: To maintain and ensure safe environments for children and vulnerable adults involved in Church activities.

Activities: The office provides training, supports those affected by abuse, manages allegations, and ensures compliance with Church and national child protection guidelines.

Impact: Their work critically supports the Diocese's commitment to safety and transparency, minimises risks, and ensures that the environments within Church activities are secure for all participants, fostering trust and safety in church-related activities.

• **Chancellery**

Purpose: Chancellery manages canon law matters related to sacraments such as marriage and provides canonical advice to the Archbishop and diocesan entities.

Activities: Chancellery offers expert advice on canon law, supports sacramental practices, and assists in resolving canonical disputes.

Impact: Chancellery ensures that sacramental and canonical practices adhere to Church law, maintaining legal integrity within the Archdiocese.

• **Finance Secretariat**

Purpose: To advise and support the Charity and the related charity, 'Parishes and Schools of the Diocese of Dublin' in financial, property, compliance, and legal matters, ensuring adherence to the Charities Act and other relevant legislation.

Activities: The secretariat manages banking arrangements, financial controls, payroll, and produces financial statements. It oversees collections and financial transactions related to the Charity and the Parishes' operations. The secretariat also coordinates budgeting, financial forecasting, and internal and external audits. It provides training and advisory services to enhance financial management skills within the Charity and the Parishes.

Impact: This office ensures financial accountability and transparency, ensuring accurate reporting and compliance with regulations. By implementing robust financial practices and promoting a culture of financial responsibility, the office plays an important role in ensuring the Charity and the Parishes operations are sustainable and transparent.

• **Office for Financial Development**

Purpose: The purpose of the Office for Financial Development is to develop and implement strategies to ensure a sustainable future funding base for both the Charity and the Parishes.

Activities: This office leads various fundraising initiatives, seeking to enhance revenue through traditional and digital means. Activities include organising Parish-based collections, encouraging standing order donations, and deploying digital fundraising tools like contactless payments and online donation platforms. Additionally, the office supports Parishes in promoting legacies and organises events that are focused on specific projects.

Impact: The Office for Financial Development significantly enhances the financial stability and growth of the Charity and the Parishes. These efforts ensure that the Diocese can sustain and expand its mission and activities, securing a resilient financial future.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - CONTINUED

2. DESIGNATED FUNDS

The designated fund balance at 31 December 2023 is €96,112k (2022: €91,504k). 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. The Charity is currently developing a strategy with regards to these designated funds. These funds are required to ensure the going concern of the Charity. The Charity has no similar properties to sell that are excess to requirements. In the event of a future pandemic or other unforeseen events the Charity must have designated reserves to meet their fixed costs. The age profile of parishioners and steady decline in attendance continues to be a concern for the Charity.

3. 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 €2k to €3,526k. The reserves of these funds are disclosed in note 8 on page 38. The total restricted reserves reduced by €318k to €10,721k at the end of the year (2022: €11,039k). All the restricted funds generated total income of €801k (2022: €678k) during the year and had expenditure of €1,261k (2022: €955k). This expenditure related primarily to charitable donations to beneficiaries. Investments held by these funds reported net gains of €286k (2022: net losses of €611k) during the year. There were transfers between funds of €144k 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.

Restricted Funds Detailed Reports:

• **O'Brien Educational Trust Fund**

Purpose: 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.

Financials: Reserves at 31 December 2023 - €1,163k (2022: €1,345k). Income for the year was €3k, with unrealised gains on investments totalling €44k. Transfers between funds amounted to €37k.

Impact: The fund awarded 61 grants totalling €192k to enhance educational resources and facilities across various institutions, significantly impacting literacy and educational access. Notable grants include:

Grants totalling €55,010 were awarded to 53 students for educational assessments.

- Accord Trusts was awarded a three-year grant, beginning with €30,000 in the current year for educational programs, amounting to a total of €90,000.
- Caritas College, Ballyfermot received €15,000 to provide counselling for students on topics like transitioning from primary to post-primary education, bereavement, anxiety, mediation, and support for students with additional needs. This is the final instalment of a three-year grant totalling €45,000.
- Dublin Diocesan Pilgrimages to Lourdes was granted €13,920 to support financial assistance for schools participating in the Diocesan Lourdes Pilgrimage.
- The Parish of the Travelling People received €13,500.
- St Paul's CBS was awarded a three-year grant, starting with €4,667 in the current year, to support religious retreats, upgrade IT resources, and promote music in the school, with the total grant amounting to €14,000.
- Our Lady Immaculate JNS Darndale received €8,000 to fund a school trip for students.
Our Lady of Lourdes NS Inchicore was granted €4,000 for a sensory room.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - CONTINUED

3. RESTRICTED FUNDS - Continued

- **The Burse Fund (Vocations)**

Purpose: Supports the education and training of priesthood students and permanent deacons. 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.

Financials: Reserves at 31 December 2023 - €3,526k (2022: €3,470k). It generated income of €10k and unrealised gains of €115k on the fund's investments.

Impact: Expenditures of €58k were utilised to cover educational and training costs for priesthood students and permanent deacons within the Diocese.

- **Poor of Dublin Fund**

Purpose: 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.

Financials: Reserves at 31 December 2023 - €408k (2022: €623k), alongside €5k in unrealised investment gains and €42k transferred between funds.

Impact: It distributed €178k in grants to organisations and initiatives directly addressing urgent community needs. Notable grants include:

- The Parish of Travelling People has been receiving an annual grant of €75,000 for several years.
- A number of charities received grants totalling €37,500 for Christmas benefactions.
- The Mercy Law Resource Centre was awarded a €25,000 grant to provide free legal advice and representation to those who are homeless or at risk of homelessness.
- The Glendalough Hermitages Centre was granted €20,000.
- The Missionaries of the Sacred Heart received €15,000 to support the Killinarden Parish Community Project, in partnership with the local schools. The project enables social inclusion and facilitates lifelong learning opportunities.

- **Mission Fund**

Purpose: Supports global missionary activities, initially established by Archbishop Ryan in 1983.

Financials: Reserves at 31 December 2023 - €859k (2022: €932k), with unrealised gains of €22k on investments and €18k transferred between funds.

Impact: In the current year, the fund awarded €77k to support projects that enhance cathedral construction and pastoral capabilities worldwide, underlining its commitment to global outreach. Notable grants include:

- The Diocese of the Eparchy of Bahir Dar Dessie in Ethiopia received a grant of €25,000 to support the construction of a cathedral.
- The Diocese of Kasese in Uganda was awarded €20,000 to support the construction of a new cathedral within the Diocese.
- Viatores Christi, based in Ireland, received €15,000 to fund missionary projects over a period of two years.
- The Dedza Diocese Judiciary in Malawi was granted €10,000 to assist with the purchase of a vehicle to help them carry out their pastoral needs.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - CONTINUED

3. RESTRICTED FUNDS - Continued

- **New Cathedral Fund**

Purpose: The New Cathedral Fund was initially established in 1930 to support the construction of a new cathedral. However, following CRA approval the objectives of the fund were redirected by cy-prés for the refurbishment, repair, maintenance, and operation of St. Mary's Pro-Cathedral, as plans to construct a new cathedral were no longer pursued.

Financials: Reserves at 31 December 2023 - €769k (2022: €778k), with €26k in unrealised gains and €35k allocated to cathedral renovations.

Impact: It ensures the structural and operational integrity of St. Mary's Pro-Cathedral, a key historical and religious Church.

- **Harrington Street Trust**

Purpose: The Harrington Street Trust was established by Canon Connolly in 1906, aimed at supporting the education of children from the Harrington Street Parish.

Financials: Reserves at 31 December 2023 - €662k (2022: €653k), benefiting from €5k in income and €4k in unrealised gains on its investments.

Impact: In the current year, no applications for grants were submitted to the Harrington Street Trust. However, the fund remains available for future educational support.

- **Peter's Pence Fund**

Purpose: Facilitates the annual church collection supporting the Pontifical Charities.

Financials: Reserves at 31 December 2023 – €2k (2022: €1k), with €171k in donations, €155k in expenditures and €15k transferred between funds.

Impact: It plays a crucial role in the global charitable efforts directed by the Vatican. By replacing the share collection with this special collection in churches, it raised €171k, ensuring continued financial support for a wide range of humanitarian and social projects around the world.

- **Dublin Regional Marriage Tribunal**

Purpose: The Dublin Regional Marriage Tribunal was established in 1976 to assist individuals in the Dioceses of Dublin, Meath, Kildare and Leighlin, Ferns, and Ossory. Its primary role is to investigate marriages within these areas with the aim of potentially issuing declarations of nullity. While the Dublin Metropolitan Tribunal manages all other canonical trials in the Archdiocese of Dublin, excluding marriage cases, the Regional Tribunal also supports other tribunals both in Ireland and globally.

Financials: Reserves at 31 December 2023 - €110k (2022: €76k), The fund had income during the year of €276k, expenditure of €231k and transfers between funds of €11k.

Impact: It provides canonical adjudication services to the region.

- **Dublin Diocesan Pilgrimages to Lourdes**

Purpose: The fund organises annual pilgrimages to Lourdes, focusing on fostering spiritual growth and providing community support, particularly for the sick and disadvantaged.

Financials: Reserves at 31 December 2023 - €561k (2022: €514k). The fund had income of €230k, expenditure of €181k and a transfer of €2k between funds during the year.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

ACTIVITY REPORT - CONTINUED

3. RESTRICTED FUNDS – Continued

• Dublin Diocesan Pilgrimages to Lourdes - Continued

Impact: The September pilgrimage is a major event in the Diocesan calendar, led by the Archbishop and attended by approximately 2,000 pilgrims from various Parishes. The pilgrimage supports 180 sick pilgrims who receive care at the Accueil Notre Dame, providing modern hospital facilities near the Lourdes Grotto. Additionally, 550 volunteers, including medical and religious personnel, contribute their services in caring for the sick pilgrims.

Our Lady's Choral Society

Purpose: Our Lady's Choral Society (OLCS), founded in 1945 in Dublin, was established after the Dublin Archdiocese gathered top singers from church choirs across Dublin for a performance of Handel's Messiah. OLCS welcomes members from all religions and walks of life. The society consists of 120 choristers who share a passion for performing great choral music at a professional level.

Financials: Reserves at 31 December 2023 - €52k (2022: €59k). The fund had income during the year of €105k, expenditure of €111k and transfers between funds of €1k.

Impact: It continues to enrich Archdiocese's spiritual and cultural landscape through high-quality choral performances.

• Mater Dei Educational and Research Trust

Purpose: Supports advanced studies and research in theology, education, and the humanities.

Financials: Reserves at 31 December 2023 - €267k (2022: €308k). The fund reported unrealised gains on the investments held of €3k and €1k transferred between funds.

Impact: The Trustees awarded grants totalling €43k to promote academic excellence and research in religious education and related areas. Notable allocations included:

- €24,000 was allocated to 12 students in the MA in Theology and World Religions program.
- €17,134 was distributed to 13 students in the BA in Theology and Religious Studies program.
- €2,000 was granted to 2 students in the DCU Religious Education program.

INVESTMENTS

Investment Activity in 2023

The Charity appointed new Investment advisors and commenced a comprehensive strategy review of the funds to be held for investment. As part of this review the Charity has established a set of investment beliefs that are a guiding set of principles for the investment policy. These beliefs underpin the investment strategy and are reference points in the investment decision making process, they reflect the mission and wider objectives of the Charity and guide the Charity's governance and strategic management of investments held.

While the review and implementation of the agreed strategy for the investments is on-going, significant progress was made over 2023 including:

- Defining a new investment strategy for those funds that have a longer-term investment horizon, including the selection and appointment of several new investment managers and funds.
- Appointing a money market fund manager, State Street Global Advisors cash liquidity fund as a suitably low-risk investment strategy, providing the Charity with a diversified exposure to low-risk interest bearing assets currently available.
- Increasing alignment across the investments held with the new set of investment beliefs, where practical.
- Rebalancing of investments held to bring the allocations back in line with their target benchmarks.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

INVESTMENTS - CONTINUED

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 Clonliffe Proceeds (designated) are in the process of being invested into a long-term focused investment strategy to ensure the Charity has sufficient reserves to allow the Diocese and the parishes continue the mission of the Catholic Church into the future. The strategy for each fund is as devised by the Investments Committee in conjunction with its advisors, Mercer and approved by the Diocesan Finance Committee and the Trustees of the Charity. These strategies are reviewed on an on-going basis, to ensure that they remain appropriate for the objectives. The investment managers are reviewed on a continuous basis by the Charity's investment advisors. Mercer advise the Charity if there is a change to the ratings of these managers.

The strategic target weightings for 2023 were as follows:

	Clonliffe Proceeds	General Fund	O'Brien Institute	Sundry Fund
	Long Term	Medium Term/Medium Risk	Medium Term/Medium Risk	Medium Term/Medium Risk
<u>Value at 31 Dec 2023</u>	<u>€96,388,813</u>	<u>€18,024,614</u>	<u>€1,141,698</u>	<u>€3,933,791</u>
Equities	50%	15%	0%	-
Absolute Return	-	50%	60%	47%
Real Assets	20%	-	-	-
Bonds	25%	-	-	-
Cash	5%	35%	40%	53%

Market Review 2023

Global equities entered 2023 with cautious optimism that the worst was over following a challenging 2022. However, with central banks around the world raising interest rates at a staggering pace, general consensus was that this tightening of financial conditions would create the conditions to tip parts of the world into a recession. This proved not to be the case with equities posting impressive gains mainly driven by 7 large cap tech stocks that the media refers to as the "Magnificent Seven". The catalyst for these gains was the advancements of AI (Artificial Intelligence) during the year, and these seven companies are widely seen as beneficiaries of the potential growth that has potentially been unlocked by this nascent technology. 2023 wasn't without its bumps with a banking crisis in March causing the closure of several banks in the US and Europe and geopolitical tensions rising in the Middle East in October, both threatening to cause widespread and systemic issues in the global financial system. Markets, however, weathered these storms and the FTSE All World Index ended 2023 up by c. 18.5% in euro terms.

In December 2022, inflation in the EU reached a peak of 10.4% on an annualised basis mainly driven by goods inflation because of supply chain issues caused by Covid 19 and services inflation driven by the reopening of European economies post Covid 19. In response to this upward inflationary pressure, the ECB had commenced monetary tightening and raised rates to 2% by the start of 2023, its highest level in 14 years, in a bid to bring inflation back down to the ECB's long-term target of around 2%. The ECB continued this monetary tightening into 2023 with the headline deposit rate increasing to 4% by July 2023 and remaining at that level to end 2023. The Central Bank's interventions broadly had the desired effect with the December 2023 inflation rate reducing down to 3.4% on an annualised basis. With inflation on the path back to target and despite headline interest rates increasing and remaining at elevated levels, bonds posted positive gains in 2023 with the ICE BofAML 1-10 Year AAA/AA Euro Government Index returning 5.0% over the year. The higher interest rate environment also led to positive returns from money market funds over 2023.

In the context of the above environment, all funds held recorded positive performance over 2023.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

INVESTMENTS - CONTINUED

The table below provides the performance of the various funds over 2023:

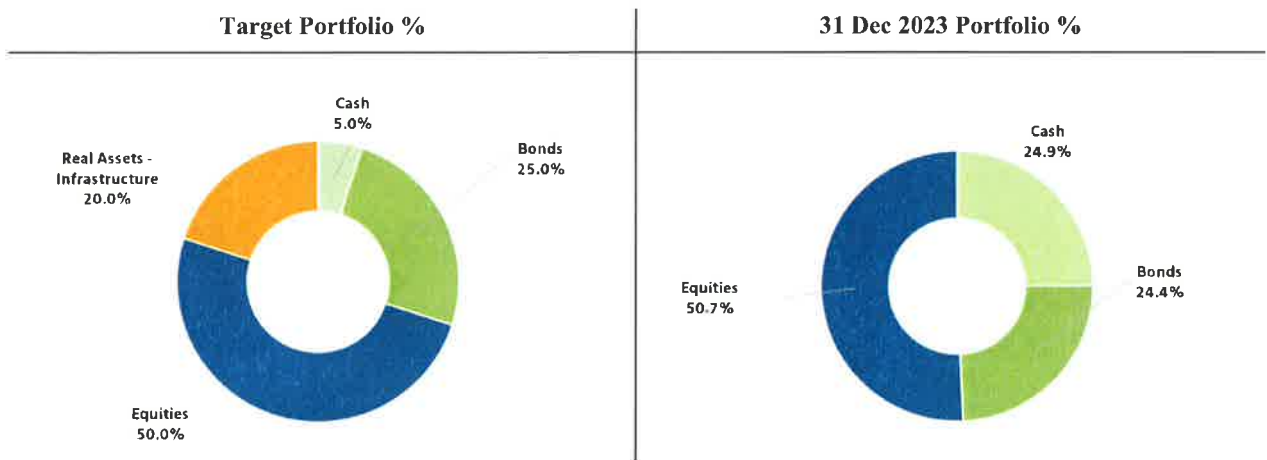
	Clonliffe Proceeds	General Fund	O'Brien Trust	Sundry Funds
Actual	5.1%	8.7%	3.8%	4.8%
Benchmark	2.5%	7.5%	5.1%	4.4%

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.

In terms of 2023 performance, the return of 5.1% was a strong start to the investment life of the Clonliffe Proceeds given the strategy was only implemented during the 2nd half of the year (see below). The return was more muted than might have been expected over the course of 2023 given the target asset allocation was only built up through the summer and into Q4 2023. The General Fund also had a relatively strong year, outperforming the benchmark in place. Performance from the other funds was more muted, given the higher allocations to monies held within bank accounts in the earlier part of 2023.

Clonliffe Proceeds

A key part of the 2023 investment review was to consider the Target Portfolio for the Clonliffe Proceeds, to design and implement a strategy for the long-term investment of these assets. The below graphs provide additional detail on the agreed Target Portfolio as well as the actual portfolio allocation as at 31 December 2023:



As can be seen from the above graphs, the investment strategy for the Clonliffe Proceeds was still being implemented at 31 December 2023, with additional assets of 20% invested in Cash. These monies are due to be invested in Real Assets over the course of 2024 across Global Infrastructure, Forestry and Property.

Within the Equity holdings, the majority is invested in a Global Developed Equity fund which passively tracks an EU Paris Aligned Benchmark (PAB). This fund has a target to have Net Zero carbon exposure by 2050, aligning total carbon emission levels with the Paris Agreement, which seeks to limit the rise in global temperatures to well below 2°C above pre-industrial levels, and to pursue efforts to keep the rise to 1.5°C. Managing the exposure to fossil fuels and carbon, aligns with the Charity’s wider mission and investment beliefs. The other Equity holdings are actively managed, with environmental impact and Catholic values being key tenets of these investments. Within the Bond holdings, there is an allocation to climate-focussed corporate bonds which invests in bonds of companies which exhibit lower carbon emissions.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

INVESTMENTS - CONTINUED

For the Clonliffe Proceeds, investment funds have been selected for the Global Infrastructure and Forestry allocations and these will be implemented in the first half of 2024. The Property investments have been determined and it is expected that the investments in the chosen property investments will be made by the end of 2024.

From an investment perspective, the focus of 2023 has been on the Clonliffe Proceeds, given these are newly available assets for investment and represent a significant portion of the Charity's resources. For the other (non Clonliffe) funds, an investment review has already commenced, aiming to establish the time horizon and objectives for each of the funds. Understanding these objectives will allow the Investments Committee to recommend an appropriate investment strategy for the funds. When implementing the agreed strategy for each of the funds, the investments made will align where possible with those funds and managers chosen during the 2023 review. This will provide a consistent approach, enhancing the governance across the Charity's investments.

PLANS FOR FUTURE PERIODS

Building Hope

Looking forward, the Archdiocese is dedicated to building upon the progress achieved through the *Building Hope* Pastoral Strategy Implementation Group and advancing its mission. The following outlines the key initiatives and plans for the future:

- ***Building Hope*** Pastoral Strategy Implementation Group:
 - Continuing the work commissioned by Archbishop Farrell in January 2022, the *Building Hope* Pastoral Strategy Implementation Group will further develop and implement strategies to fulfil its mission.
 - Collaborating with Parish teams, religious communities, and lay leaders to identify pastoral strengths, areas for development, and opportunities for shared initiatives in the four dimensions of Faith, Social Justice, Servant Leadership and Welcome.
 - Utilising a synodal approach, fostering open dialogue and engagement with Parishes to shape the future direction of the Archdiocese.
- Parish Partnerships and Pastoral Strategic Planning:
 - Building upon the successful *Building Hope* conversations initiated in Easter 2022, the Archdiocese will actively support Parishes in pastoral renewal and ministry in 53 Parish partnerships across the Diocese.
 - 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 support Partnership Pastoral Councils and the formation of Partnerships Finance Forums.
- Social Justice and Care of Creation
 - Recognising a preferential option to the poor, supporting the diocesan outreach in areas of greatest social disadvantage and pastoral need.
 - Providing greater support to Parish teams ministering in Partnerships in these areas.
 - Supporting Parishes in identifying 30% of lands for biodiversity and in raising awareness of care of creation concerns in procurement and operations.
- 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 and training for lay individuals commissioned to lead this important aspect of pastoral care.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

PLANS FOR FUTURE PERIODS - CONTINUED

- Formation and Training Programs:
 - Offering ongoing formation and training programs for clergy, religious, and lay leaders to enhance their skills, deepen their faith and spirituality, and equip them for effective ministry.
 - Providing opportunities for clergy and lay leaders to dialogue, share best practices, and strengthen their ministry co-responsibly.
- Supportive Gatherings and Meetings:
 - Facilitating regular gatherings, such as Deanery meetings and the Spring Pastoral Gathering, to foster support, encouragement, and co-responsibility among clergy, religious, and lay leaders.
 - Providing a platform for open discussion and feedback on the progress of the *Building Hope* initiative, 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 model for generating income to safeguard the long-term financial health of the Archdiocese. Resources will be applied in exploring new funding strategies and revenue streams.
- Diocesan Support Offices will continue to 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.
- The Diocesan Support Offices released updated Administrative Guidelines for Parishes at the Spring 2024 Parish briefings. These guidelines aim to improve Parish compliance with regulations and diocesan standards, with a focus on managing resources and responsibilities within Parishes.
- The Diocesan Support Offices successfully transitioned the financial statements for the charity, Parishes of the Diocese of Dublin, for the year ended 31 December 2023, ensuring compliance with the Charities Statement of Recommended Practice (SORP) under FRS 102 and adhering to best practices in financial reporting.
- With the support of the investment advisors explore and consider suitable investment opportunities for Parishes.

SUSTAINABILITY

Sustainability (Energy and Carbon) Working Group

Under the guidance of the Property Sub-Committee of the DDFC, the Sustainability (Energy and Carbon) Working Group leads the Charity's efforts to reduce the use of fossil fuels and lower energy costs. The working group is preparing a master plan in collaboration with SEAI. The following activities are being carried out:

- **Energy Analysis:** A comprehensive analysis of current energy consumption and emissions across the Charity's properties to establish the estimated carbon footprint of the Parishes and set a baseline for improvement measures with an aim of reducing the carbon footprint.
- **Energy Audits:** Energy audits are being carried out on a sample number of Parishes.
- **Renewable Energy Projects:** Evaluating the potential for installing commercial Photo-Voltaic (PV) panels on appropriate structures to harness solar energy. If successful, these can serve as flagship projects and encourage more parishes to invest in renewable energy.

TRUSTEES' REPORT

Charities of the Roman Catholic Archdiocese of Dublin

SUSTAINABILITY - CONTINUED

- **Benchmark Projects:** Showcasing projects that serve as models in sustainable practices, including updates to heating systems, lighting improvements, and building insulation enhancements.
- **Community Integration:** Identifying Parishes already involved in SECs to expand sustainable practices within the broader community.

Through these strategic initiatives, the Working Group aims to demonstrate the tangible benefits of sustainable energy solutions and lead by example within the community.

Parishes Caring for Creation

Through the *Building Hope* initiative, the "Parishes Caring for Creation" conference, held on November 24th at the Crowne Plaza Hotel in collaboration with Trócaire and the Laudato Si' Movement, brought together over 200 Parish members. The conference was a mobilising force, aligning with Pope Francis' encyclical on environmental responsibility, Laudato Si'. Highlights included:

- Keynote speakers such as Archbishop Dermot Farrell emphasised the shared global and local responsibilities in addressing ecological degradation, delivering a hopeful message rooted in faith. Other speakers, including Prof. John Sweeney, stressed the urgency of addressing the ecological crisis, calling for heightened human responsibility and action.
- The conference featured several workshops on topics ranging from practical advice from a Parish who won the European Eco-Congregation award sharing their journey and offering Parishes practical ideas for initiatives and the steps involved. SEAI grants workshop which gave advice on potential grants available for Parishes.
- The Laudato Si Youth Award workshop provided guidance to Parishes on the diocesan award. Focusing on how to connect young people within a Parish community and Diocese to work together to create an environment of care and protection within Parishes. The award is for young adults who want to live out their Christian calling to protect and care for God's Creation. There are three levels to the award bronze, silver and gold which must be completed in three consecutive years.

TRUSTEES' REPORT

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 23 to 44 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

16th October 2024



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 2023 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 2023;
 - the statement of financial activities for the year then ended;
 - the statement of cash flows for the year then ended; and
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"). Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 20, the Trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

This description forms part of our auditors' report.

Use of this report

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



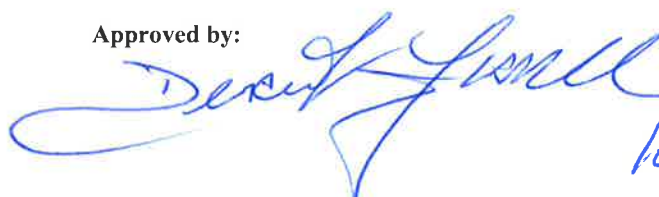
PricewaterhouseCoopers
Chartered Accountants
Dublin
16 October 2024

STATEMENT OF FINANCIAL ACTIVITIES
Financial Year Ended 31 December 2023

	Notes	Unrestricted Funds 2023 €'000	Restricted Funds 2023 €'000	Total Funds 2023 €'000	Total Funds 2022 €'000
Income					
Contributions from diocesan related charities	5(i)	3,599	258	3,857	3,280
Donations and legacies	5(ii)	3	284	287	597
Income from charitable activities	5(iii)	292	130	422	316
Income earned from other activities	5(iv)	2	110	112	142
Income from other trading activities	5(v)	481	-	481	455
Investment and other income	5(vi)	4	19	23	148
Total		<u>4,381</u>	<u>801</u>	<u>5,182</u>	<u>4,938</u>
Expenditure					
Expenditure on raising funds	6a(i)	(50)	-	(50)	(23)
Expenditure on charitable activities	6a(ii)	(4,721)	(1,261)	(5,982)	(6,925)
Other expenditure	6a(iii)	334	-	334	162
Pension Scheme – Net impact of changes	6a(iv)	-	-	-	(1,450)
Total		<u>(4,437)</u>	<u>(1,261)</u>	<u>(5,698)</u>	<u>(8,236)</u>
Net expenditure before gains on investments		(56)	(460)	(516)	(3,298)
Net gains/(losses) on investments	11	6,251	286	6,537	(2,444)
Net income/(expenditure) after gains on investments		6,195	(174)	6,021	(5,742)
Transfers between funds	21	144	(144)	-	-
		6,339	(318)	6,021	(5,742)
Other recognised gains/(losses)					
Gains on disposal of fixed assets	10, 11	-	-	-	31,666
Actuarial losses on defined benefit pension scheme	15	-	-	-	(379)
Net movement in funds*		6,339	(318)	6,021	25,545
Reconciliation of funds:					
Total funds brought forward		112,380	11,039	123,419	97,874
Total funds carried forward	8, 9,17	<u>118,719</u>	<u>10,721</u>	<u>129,440</u>	<u>123,419</u>
Restricted reserves	8, 9,17	-	10,721	10,721	11,039
Unrestricted reserves	8, 9,17	22,597	-	22,597	20,876
Designated reserves	8, 9,17	96,122	-	96,122	91,504
		<u>118,719</u>	<u>10,721</u>	<u>129,440</u>	<u>123,419</u>

*The net movement in unrestricted funds includes an increase of €4,618 (2022: €27,775k) in designated funds.

Approved by:


 16th October 2024

BALANCE SHEET
As at 31 December 2023

	Notes	2023 €'000	2022 €'000
Fixed assets			
Tangible assets	9, 10	1,071	1,227
Investments	9, 11	131,203	20,184
Total fixed assets	9	<u>132,274</u>	<u>21,411</u>
Current assets			
Debtors	9, 12	6,241	6,710
Cash on deposit	9	402	27,883
Cash at hand and in bank	9	1,830	82,361
Total current assets	9	<u>8,473</u>	<u>116,954</u>
Liabilities			
Creditors: amounts falling due within one year	9, 13	(2,498)	(4,894)
Net current assets		<u>5,975</u>	<u>112,060</u>
Total assets less current liabilities		138,249	133,471
Creditors: amounts falling due after more than one year			
Provisions for liabilities and charges	9, 16	(8,809)	(10,052)
Total net assets of the Charity	9	<u>129,440</u>	<u>123,419</u>
The total funds of the Charity can be analysed as follows:			
Total restricted funds	8, 9,17	10,721	11,039
Total unrestricted funds	8, 9,17	22,597	20,876
Total designated funds	8, 9,17	96,122	91,504
Total Charity Funds	8, 9,17	<u>129,440</u>	<u>123,419</u>

Approved by:


16th Dec 2024.

STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2023

	Notes	2023 €'000	2022 €'000
Net cash used in operating activities	19	<u>(3,441)</u>	<u>(2,162)</u>
Investing activities:			
Dividends, interest and rent from investments		7	146
Proceeds from sale of property, plant and equipment		1,313	32,978
Purchase of property, plant and equipment		(1,394)	(823)
Movement on shares held directly		149	36
Proceeds from sale of investments		71,622	1,138
Purchase of investments		<u>(176,268)</u>	<u>(362)</u>
Net cash (used in)/provided by investing activities		<u>(104,571)</u>	<u>33,113</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>(108,012)</u>	<u>30,951</u>
Cash and cash equivalents at the beginning of the reporting period		<u>110,244</u>	<u>79,293</u>
Cash and cash equivalents at the end of the reporting period	20	<u>2,232</u>	<u>110,244</u>

NOTES TO THE FINANCIAL STATEMENTS

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;

- Advancement of the Roman Catholic religion;
- Promotion of educational initiatives;
- Support and provision for priests and other members of the clergy;
- Operational support for the Diocesan Offices of the Archdiocese;
- Encouragement and promotion of Catholic ethos in all walks of life;
- Efforts aimed at alleviating poverty;
- Development and maintenance of physical infrastructure related to the Charity's activities.

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 statement, the Trustees have evaluated the appropriateness of the going concern assumption. This assessment was conducted for a period extending at least one year from the date of approval of the financial statements.

The forecasts for the Charity reflect careful planning based on historical data and reasonable expectations for future events. The Charity's unrestricted reserves are adequately maintained to support ongoing activities and address unforeseen needs.

Based on these considerations, the Trustees are confident in the Charity's ability to maintain its operations and meet its financial commitments. Therefore, the financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(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 which have 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 their realisable market value. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activity. The annual management charge (AMC) 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.

Fund Name	AMC
Legal & General Investment Management (LGIM) Passive Sustainable Equity Fund (Unhedged)	0.08% p.a.
Legal & General Investment Management (LGIM) Passive Sustainable Equity Fund (Euro Hedged)	0.10% p.a.
Impax Environmental Leaders (Ireland) Fund	0.80% p.a.
State Street Global Advisors (SSgA) Global Ethical Value Fund	0.60% p.a.
State Street Global Advisors (SSgA) Sustainable Climate Euro Corporate Bond Fund	0.10% p.a.
State Street Global Advisors (SSgA) Inflation Linked Bond Fund	0.10% p.a.
State Street Global Advisors (SSgA) Euro Liquidity Fund	0.10% p.a.
Irish Life Investment Managers (ILIM) Medium Inflation-Linked Bonds Fund	0.08% p.a.
Insight Broad Opportunities Fund	0.50% p.a.
BlackRock Dynamic Diversified Growth Fund	0.55% 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 and the work of the related Charity, the 'Parishes and Schools of the Diocese of Dublin' but do not directly undertake charitable activities. Administration costs include back office, support costs, such as finance, fundraising, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(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.

(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

As of the year ended 31 December 2023, the Charity does not hold any defined benefit pension schemes. The last such scheme, the Mater Dei Institute of Education Pension Scheme, was fully dissolved as of 22 October 2022. There have been no further transactions, obligations, or actuarial adjustments relating to any pension schemes during 2023.

The closure of the Mater Dei Pension Scheme in the previous year resulted in the removal of all associated liabilities and assets from the Charity's balance sheet. The scheme was settled in full, with all obligations met and no residual actuarial gains or losses requiring recognition in 2023.

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:

(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 39 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Income	Unrestricted Funds 2023 €'000	Restricted Funds 2023 €'000	Total Funds 2023 €'000
(i) Contributions from diocesan related charities			
Contribution from the Share Fund	3,163	-	3,163
Contribution from Parishes	250	-	250
Common Fund administration recharge	80	-	80
Clerical Fund administration recharge	32	-	32
Contribution from other related source	7	-	7
Property transaction contributions	67	-	67
Dublin Regional Marriage Tribunal	-	258	258
	<u>3,599</u>	<u>258</u>	<u>3,857</u>
(ii) Donations and legacies			
Donations	1	284	285
Legacies	2	-	2
	<u>3</u>	<u>284</u>	<u>287</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 2023 €'000	Restricted Funds 2023 €'000	Total Funds 2023 €'000
(iii) Income from charitable activities			
CPSMA	82	-	82
Cathedraticum	31	-	31
Retreats income	21	-	21
Garda vetting	90	-	90
Vat Compensation Scheme	67	-	67
Other	1	130	131
	<u>292</u>	<u>130</u>	<u>422</u>
(iv) Income from other activities			
Miscellaneous income	<u>2</u>	<u>110</u>	<u>112</u>
(v) Income from other trading activities			
Car park and other rental income	285	-	285
DCU amortisation of long term lease	196	-	196
	<u>481</u>	<u>-</u>	<u>481</u>
(vi) Investment and other income			
Bank interest (Received)	4	12	16
Investment income	-	7	7
	<u>4</u>	<u>19</u>	<u>23</u>
	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
	<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 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 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	19	123	142
	<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>
6 Expenditure			
	Unrestricted Funds 2023 €'000	Restricted Funds 2023 €'000	Total Funds 2023 €'000
(a) Analysis of expenditure			
(i) Expenditure on raising funds:			
Investment management fees	15	-	15
Fundraising/event costs	35	-	35
	<u>50</u>	<u>-</u>	<u>50</u>
(ii) Expenditure on Charitable activities:			
Pastoral activities	961	471	1,432
Grants to beneficiaries	397	790	1,187
Educational Supports	388	-	388
Child safeguarding and protection services	384	-	384
Relocation Costs	41	-	41
Support costs (see 6b)	2,550	-	2,550
	<u>4,721</u>	<u>1,261</u>	<u>5,982</u>
(iii) Other expenditure:			
General Fund expenditure including pension fund expense and interest	(334)	-	(334)
Total expenditure	<u>4,437</u>	<u>1,261</u>	<u>5,698</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Expenditure – continued	Unrestricted Funds 2023 €'000	Restricted Funds 2023 €'000	Total Funds 2023 €'000
(b) Support costs			
Diocesan offices support costs	1,988	-	1,988
Governance costs	562	-	562
	<u>2,550</u>	<u>-</u>	<u>2,550</u>
	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	<u>1,450</u>	<u>-</u>	<u>1,450</u>
Total expenditure	<u>7,281</u>	<u>955</u>	<u>8,236</u>
(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>

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Employee and Trustee information	2023 €'000	2022 €'000
The average number of employees employed during the year was 41 (2022: 38).		
Staff costs:		
Salaries and wages	2,202	2,005
Social security costs	232	203
Pension costs	196	235
Recruitment, training and other expenses	212	112
	<u>2,842</u>	<u>2,555</u>
Voluntary redundancy pay costs	-	25
	<u>2,842</u>	<u>2,580</u>

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

	2023 €'000	2022 €'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>7</u>	<u>5</u>

	2023 Number of employees	2022 Number of employees
--	--------------------------------	--------------------------------

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

Salary range:		
€70k - €80k	2	-
€80k - €90k	1	2
€90k - €100k	2	1
€100k - €125k	2	2
	<u>7</u>	<u>5</u>

	2023 €'000	2022 €'000
Total pension contributions in the year for the above employees amounted to:	<u>86</u>	<u>65</u>

The average salary per employee based on employees for the year is €53k (2022: €53k) before pension costs, social security costs, recruitment and training costs. The average costs remain in line with the prior year. The average cost per employee based on 41 staff (2022: 38) for the year including social security costs, pension costs, recruitment and training is €69k (2022: €67k).

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 (2022: none).

There were no loans advanced to Trustees during the years and no loans outstanding at 31 December 2023.

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:

	2023	2022
	€'000	€'000
Total key management compensation	<u>140</u>	<u>136</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Summary of Restricted, Unrestricted and Designated Fund movements from 1 January 2023 to 31 December 2023

	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	1,345	3	(192)	(37)	44	1,163
Burse Fund	3,470	10	(58)	(11)	115	3,526
Poor of Dublin	623	-	(178)	(42)	5	408
Mission Fund	932	-	(77)	(18)	22	859
Irish Martyrs	2,200	1	-	(6)	67	2,262
New Cathedral Fund	778	-	(35)	-	26	769
Harrington Street Trust	653	5	-	-	4	662
Sundry Investment	80	-	-	-	-	80
Peters Pence	1	171	(155)	(15)	-	2
Dublin Regional Marriage Tribunal	76	276	(231)	(11)	-	110
Dublin Diocesan Pilgrimages to Lourdes	514	230	(181)	(2)	-	561
Our Lady Choral Society	59	105	(111)	(1)	-	52
Mater Dei Educational and Research Trust	308	-	(43)	(1)	3	267
Total Restricted Funds	11,039	801	(1,261)	(144)	286	10,721
<u>Unrestricted funds:</u>						
Diocesan Support Offices	-	3,809	(4,013)	204	-	-
General Fund unrestricted funds	20,876	570	(372)	(60)	1,583	22,597
Total Unrestricted Funds	20,876	4,379	(4,385)	144	1,583	22,597
<u>Designated funds:</u>						
General Fund designated funds	91,504	2	(52)	-	4,668	96,122
Total Designated Funds	91,504	2	(52)	-	4,668	96,122
TOTAL FUNDS	123,419	5,182	(5,698)	-	6,537	129,440

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 2023

	Unrestricted 2023 €'000	Restricted 2023 €'000	Total 2023 €'000	Total 2022 €'000
Fixed assets				
Tangible assets	1,025	46	1,071	1,227
Investments	121,176	10,027	131,203	20,184
Total fixed assets	122,201	10,073	132,274	21,411
Current assets				
Debtors	6,201	40	6,241	6,710
Cash on deposit	-	402	402	27,883
Cash at hand and in bank	542	1,288	1,830	82,361
Total current assets	6,743	1,730	8,473	116,954
Liabilities				
Creditors: amounts falling due within one year	(1,416)	(1,082)	(2,498)	(4,894)
Total assets less current liabilities	127,528	10,721	138,249	133,471
Creditors: amounts falling due after more than one year				
Provisions for liabilities and charges	(8,809)	-	(8,809)	(10,052)
Total net assets	118,719	10,721	129,440	123,419
The funds of the Charity	118,719	10,721	129,440	123,419

10 Tangible assets

	Land and buildings €'000	Computer equipment, fixtures & fittings €'000	Total tangible fixed assets €'000
Cost or valuation			
At 1 January 2023	1,294	2,151	3,445
Additions and transfer from other funds	1,178	216	1,394
Disposals	(1,142)	(171)	(1,313)
At 31 December 2023	1,330	2,196	3,526
Accumulated depreciation			
At 1 January 2023	(919)	(1,299)	(2,218)
Depreciation transfer and charge for the financial year	(9)	(228)	(237)
At 31 December 2023	(928)	(1,527)	(2,455)
Net book value amount			
Net book value at 31 December 2022	375	852	1,227
Net book value at 31 December 2023	402	669	1,071

NOTES TO THE FINANCIAL STATEMENTS – continued

11 Investments	2023 €'000	2022 €'000
Quoted investments at valuation	131,203	20,184
Cash on deposit	402	27,883
Total value	131,605	48,067

The investments are stated at market value.

	2023 €'000	2022 €'000
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The movement in quoted investments during the year was as follows:

Opening market value	20,184	23,457
Additions	176,268	362
Withdrawals/Disposals	(71,622)	(1,138)
Management fees	(15)	(17)
Net realised gains on investments	990	228
Net unrealised gains/(losses) on investments	5,547	(2,672)
Net unrealised losses on investments held for related parties	(96)	(1)
Net unrealised losses on investments held for third parties	(53)	(35)
Closing market value	131,203	20,184

The analysis of investments category is as follows:

	2023 €'000	2022 €'000
Absolute Returns	15,909	15,347
Cash Liquidity Fund	37,371	-
Real return index linked bonds	9,753	362
Quoted equity	53,299	3,602
Collective Investment Scheme	14,147	-
Investments in shares held direct	724	873
Total	131,203	20,184

12 Debtors	2023 €'000	2022 €'000
Other receivables and prepayments	542	720
Amounts due from related Charities	434	746
Finance lease receivable	5,265	5,244
Total	6,241	6,710

13 Creditors: amounts falling due within one year	2023 €'000	2022 €'000
Creditor and other accruals	(1,532)	(2,807)
Amounts due to related Charities	(966)	(2,087)
Total	(2,498)	(4,894)

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Finance leases

The future minimum lease payments are as follows:

	2023 €'000	2022 €'000
Not later than one year	183	179
Later than one year and not later than five years	743	728
Later than five years	31,797	32,723
Total future minimum lease payments	<u>32,723</u>	<u>33,630</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 142 years and 9 months.

15 Pension commitments

As of 31 December 2023, the Charity has no obligations from defined benefit pension schemes, having fully dissolved the Mater Dei Institute of Education Pension Scheme in October 2022. This action finalises the Charity's involvement with such pension plans.

The Charity did not record any pension-related contributions or settlements for the financial year ending 31 December 2023 and does not expect any in the foreseeable future, indicating the complete closure and settlement of all defined benefit pension schemes previously associated with the Charity.

16 Provisions for liabilities and charges

	2023 €'000	2022 €'000
At beginning of the year	<u>10,052</u>	10,836
<i>Movement in the year:</i>		
Net changes in provision	(905)	(352)
Payments made and accrued for during the year	(338)	(432)
Transfers made during the year	-	-
Closing provision	<u>8,809</u>	<u>10,052</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 €1,300k 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 2023 and 31 December 2022

	2023 €'000	2022 €'000
Unrestricted reserves	22,597	20,876
Designated reserves	96,122	91,504
Restricted reserves	10,721	11,039
Total reserves	<u>129,440</u>	<u>123,419</u>

The table above details the Charity's total reserves at year end. The Charity has a reserves policy to ensure that it has sufficient reserves to continue to develop its mission into the future and to meet its committed expenditure as it falls due. In line with FRS 102 the reserves policy focuses on the unrestricted and designated reserves and does not include the restricted reserves of the Charity. These restricted reserves are legally restricted and may only be spent in line with the objectives of the fund or the specific purpose(s) for which the respective donations or bequests were received and accepted. The designated reserves are funds that have been set aside by the Trustees for longer term future commitments. The reserves policy is explained in further detail below. A healthy level of reserves is essential to ensure that the Charity is resilient and can continue as a going concern in the long term.

Unrestricted Funds

The unrestricted funds of the Charity at 31 December 2023 are €22,597k. The composition of these funds is:

- €5,265k relates to the discounted present value of the annual rent for the 150-year finance lease of St Patricks College, Drumcondra with DCU.
- €1,025k relates to the net book value of the unrestricted tangible fixed assets on the balance sheet.
- The remaining €16,307k is made up of investments and other assets, net of the liabilities and provisions and thus constitute the available unrestricted funds cash reserves.

Level of Target Unrestricted Funds to be Held

The Covid-19 pandemic resulted in significant sustained restrictions to public worship. This directly impacted church attendance, which in turn seriously impacted the donations to Mass collections. Government guidelines also prohibited the passing of Mass collection baskets along the pews from March 2020 to February 2022 which resulted in the collapse of these main income streams. The Mass collections are the main source of income that meet: the costs of supporting priests, the care of sick and retired priests, the operating costs of the Curia and the cost of financial support of some of the poorer parishes. The costs associated with priests and parishes are recorded in the related charity, "Parishes and Schools of the Archdiocese of Dublin". To be prudent, the Trustees introduced a reserves policy to hold a level of unrestricted reserves to ensure that the Charity has sufficient unrestricted reserves to meet at least three years of these costs.

This is essential to ensure that these costs can be met as they fall due, mitigating the risk of unforeseen circumstances that could cause the collections to decrease significantly again in the future. This is particularly important as the Charity's insurer has withdrawn cover for any loss of income that may arise again in the future from the closure of the Church buildings.

A healthy level of unrestricted reserves is essential to ensure that the Charity can continue its mission. These reserves will help to ensure the resilience of the Charity in the short term in the event of unforeseen circumstances, such as another funding crisis similar to that precipitated by the Covid-19 pandemic, allowing time for long-term solutions to be identified.

Designated Funds

The Trustees recognise the importance of ensuring sufficient reserves to safeguard the Charity's future over the medium and long term. Consequently, they have designated the proceeds from the sale of Holy Cross College, which was previously the Charity's primary fixed asset, for this purpose. These funds are currently held in investments to support the Charity's strategic objectives.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Reserves note - continued

Designated Funds - continued

As of year-end, the value of these designated reserves is €96,122k, reflecting an increase of €4,618k from the prior year's value at €91,504k, which is primarily due to unrealised gains on investments. The Charity does not own any further fixed assets that are surplus to requirements, once these designated reserves are exhausted. Therefore, it is essential that these funds are safeguarded and managed prudently to ensure their longevity.

Management conducted a comprehensive assessment to determine the level of reserves required over the next 20 years. Part of which included an actuarial evaluation, carried out by a third-party company, to estimate the future income and future costs related to priest stipends, nursing home care and the provision of housing for priests. The Archbishop has a responsibility to ensure that there are adequate reserves available to support and care for the priests of the Archdiocese of Dublin and in making provision for moneys to be expended on future accommodation and care of priests. This responsibility encompasses healthcare, financial stipends, and a provision for housing for incardinated priests in the Archdiocese of Dublin.

The Trustees have adopted an approach that aligns the designated reserves with the identified risks faced by the Charity, as outlined in the risk register. This ensures that the Charity does not accumulate funds unnecessarily, but rather maintains reserves that enable the continued fulfilment of its mission. Several key challenges and risks could potentially impact the Charity's long-term financial resilience, including but not limited to those identified below:

1. Decline in active Catholic population

The decrease in Mass attendance and financial contributions has a direct effect on the Charity's ability to meet its fixed expenditures. In recent years, the Trustees have observed significant population shifts within the diocese, accompanied by notable declines in Mass counts. This reduction in the active Catholic population not only diminishes the Charity's income but also affects the availability of volunteers and individuals willing to take on leadership roles, which are essential to sustaining the Charity's mission and operations. The Trustees would like to take this opportunity to thank its many volunteers and to acknowledge the key roles that they play in ensuring the Charity's ability to carry out its mission.

2. Decline in the number of priests

The actuarial assessment projects a 70% reduction in the number of diocesan priests over the next 20 years due to the aging clergy. No priest was ordained for the Archdiocese this year and only two priests have been ordained for the Archdiocese since 2020. Over the past few decades, the number of men entering the priesthood has steadily declined. Without ever losing hope for new vocations to the priesthood, the Trustees are proactively addressing the decline in priests by developing a strategic plan that includes increasing lay support to manage the anticipated shortfall. This initiative is the *Building Hope* pastoral strategy and is designed to assist priests in an evolving environment.

Under the *Building Hope* strategy, the current 196 parishes have been grouped into 53 parish partnerships. Currently some priests are appointed and required to serve in multiple parishes and in some cases, priests have been appointed as the parish priest to more than one parish. The strategy aims to emphasise the sharing of resources between parishes and the greater involvement of lay people to support the reducing number of priests. This shift may lead to increased costs for lay staff, especially if roles cannot be adequately filled by volunteers. Financial support may be necessary for poorer parishes to meet these additional costs.

3. Sustainability of income

Given that the average age of regular Mass-goers continues to increase, and that younger parishioners are not attending Mass with the same regularity or commitment as previous generations, ensuring sustainable income in the long term presents a significant challenge. Younger generations demonstrate a different level of adherence to religious practice, leading to a decline in Mass attendances which in turn affects the traditional financial contributions from Mass collections. This shift poses difficulties for the Charity in maintaining the steady and reliable income stream necessary to support its mission and ongoing operations.

4. A shortfall of income to meet the fixed expenditure (i.e. a deficit)

The projected future deficits highlight the critical need for sufficient reserves to bridge the financial gap. Adequate reserves will ensure the Charity can continue to meet its obligations and support its mission during periods of reduced income.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Reserves note - continued

Designated Funds - continued

5. Regulatory and legal externalities

The constantly evolving regulatory environment presents challenges for the Charity, as new regulations often require adjustments in operations and resource allocation. These changes can place additional financial strain on the Charity, necessitating the flexibility and preparedness that sufficient reserves provide to meet compliance requirements without disrupting its mission.

6. Capital investment and building maintenance

Properties owned by the Charity and owned by the Share and Clerical Funds that are reported in the related charity are not held as investment properties. Those properties form part of the activities of the charities as they house some of the priests in appointment in parishes as well as retired priests. As such, they require ongoing maintenance and upkeep.

The churches and pastoral centres that are owned by the parishes require significant ongoing maintenance and refurbishment. Some of those buildings are protected structures that demand significant and sometimes unexpected investment to ensure compliance with health and safety regulations. These properties vary in size and age, but all necessitate regular upkeep and maintenance. It is the responsibility of parishes to meet any costs associated with the properties that they own. However securing funds for these projects, particularly in poorer parishes, may become more challenging.

7. Economic Changes and External Factors

Recent global economic adjustments, particularly high inflation over the past few years, have reduced parishioners' disposable income, possibly impacting their ability to donate. This economic strain poses a challenge to the Charity's financial stability, as decreased donations affect its ability to fund essential operations and support its mission.

In addition to maintaining a healthy level of unrestricted reserves, the Trustees deem it essential to hold designated reserves to address projected deficits over the next 20 years, ensuring the Charity's continued mission and resilience. Based on current assumptions regarding costs, it is anticipated that the existing reserves will be exhausted by 2041 if income levels reduce as forecast.

While it is unlikely that all the identified risks will materialise simultaneously, the Trustees must ensure adequate reserves are available to address potential challenges. The primary risk lies in the Charity's ability to successfully navigate these issues, which vary in severity and impact. The Trustees are committed to maintaining a prudent level of unrestricted and designated reserves, enabling the Charity to remain resilient in the face of both anticipated and unforeseen challenges.

The *Building Hope* strategy is actively establishing the necessary structures to ensure the Archdiocese becomes more resilient and future-ready, allowing it to continue the Catholic Church's mission for the long term. The Charity does not aim to accumulate reserves unnecessarily but focuses on using them responsibly to meet its objectives and secure its future. Regular reviews of the reserves policy will be conducted to ensure alignment with evolving financial conditions.

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 2023, which amounted to €2,405k (2022: €3,396k).

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Reconciliation of net outgoing resources to cash outflow from operating activities	2022 €'000	
Net expenditure for the reporting year before gains and transfers	(516)	(3,298)
Dividend, interest and rent from investments	(7)	(146)
Investment management fees	15	17
Pension adjustments regarding the multi-employer scheme	-	(379)
Depreciation	237	(627)
Decrease/(Increase) in debtors	469	(281)
(Decrease)/Increase in creditors	(2,396)	1,565
Increase in pension deficit	-	1,771
Change in provision for liability and charges	(1,243)	(784)
	<u>(3,441)</u>	<u>(2,162)</u>

20 Analysis of changes in cash and cash equivalents	1 January 2023 €'000	Cash flows €'000	31 December 2023 €'000
Cash in hand in bank current and deposit accounts and net of bank overdrafts	<u>110,244</u>	<u>(108,012)</u>	<u>2,232</u>

21 Transfers between funds	2023 €'000	2022 €'000
Transfers between funds within the Charity	<u>144</u>	<u>150</u>

The 2023 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	2023	2022
	€'000	€'000

The Charity had the following related party transactions with other diocesan charities during the year:

(i) Parishes and Schools of the Diocese of Dublin (CRA 20016166) - income	<u>3,599</u>	<u>2,992</u>
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These related party transactions relate to income received in the Diocesan Offices, the largest contribution was from the Share Fund, totalling €3,163k (2022: €2,992k) to help finance central support services costs.

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

	2023	2022
	€'000	€'000
Parishes and Schools of the Diocese of Dublin & other related parties	(688)	(1,540)
Inter fund related party payable balances	<u>(278)</u>	<u>(547)</u>
Related Party - payable balances	<u>(966)</u>	<u>(2,087)</u>
Parishes and Schools of the Diocese of Dublin & other related party balances	156	174
Irish Episcopal Conference (IEC) Maynooth (WMOF 2018 Solidarity Fund)	-	25
Interfund related party balances	<u>278</u>	<u>547</u>
Related Party - receivable balances	<u>434</u>	<u>746</u>
Net related party payable balances	<u>(532)</u>	<u>(1,341)</u>

23 Events after the end of the reporting period

There were no material subsequent events to disclose.

24 Approval of financial statements

The financial statements were approved by the Trustees on 16 October 2024.