

Registered Charity Number (RCN) 20015084



DIOCESE OF KILMORE CURIA R.C.

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

DIOCESE OF KILMORE CURIA R.C.

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**DIOCESE OF KILMORE CURIA R.C.
CHARITY INFORMATION**

For the year ended 31st December 2019

Trustees

Bishop Martin Hayes (appointed 20 September 2020)
Msgr. Liam Kelly
Fr. Sean Mawn
Fr. Kevin Fay
Fr. John Gilhooly
Fr. Donal Kilduff
Fr. John McTiernan
Fr. Brian Flynn
Fr. Andrew Tully
Fr. Ultan McGoohan

Finance Committee

Bishop Martin Hayes
Msgr. Liam Kelly
Joan Quinn (Chairperson)
Fr. Donal Kilduff (Secretary)
Fr. Gerard Alwill
John Boyle
Paul Kelly
Carmel Denning
Lauren Tierney

Charity Address

Bishop's House
Cullies
Cavan
Co. Cavan

Charity Number

RCN – 20015084
CHY - 7215

Auditors

McDwyer Lennon & Co.,
Chartered Accountants & Registered Auditors,
Esker Place,
Cathedral Road,
CAVAN.

Main Bank

Bank of Ireland,
Main Street,
Cavan,

Main Solicitor

John V. Kelly & Co.,
Solicitors,
Church Street,
CAVAN.

DIOCESE OF KILMORE CURIA R.C. CHARITY OVERVIEW

For the year ended 31st December 2019

The Diocese of Kilmore Curia R.C. presents its overview for 2019 and the financial statements for the ended 31st December, 2019.

Structure and Governance

The Diocese of Kilmore is geographically diverse, with 34 parishes, consisting of most of Co. Cavan, together with large sections of Co. Leitrim, some small portions of Co. Sligo and Co. Meath and also extends to 2 parishes in Co. Fermanagh.

The Trustees of the Diocese of Kilmore Curia R.C. are supported by the Diocesan Finance Committee, comprising the Bishop, members of the clergy and voluntary lay members. The Committee meet regularly throughout the year.

The Diocese of Kilmore Curia R.C. have established a number of committees and councils to focus on areas of responsibility within the mission of the church and to ensure full compliance with all regulations.

Review of the activities of the Diocese of Kilmore Curia R.C.

The principal objectives and activities of the Diocese of Kilmore Curia R.C. are:

- The advancement of the Roman Catholic religion in the area of the Diocese of Kilmore as determined under the laws of the Roman Catholic Church and in accordance with them;
- The maintenance of the Roman Catholic Church buildings and assets;
- The provision and support of the Roman Catholic Church education in the Diocese;
- The advancement of any charitable purpose supported by the Roman Catholic Church in any part of the world;
- To support the 34 parishes of the Diocese of Kilmore.

Scope of the financial statements

The financial statements include assets, liabilities and transactions of the following:

Curial Funds

The Curial funds are used to assist the Bishop in providing services and pastoral care throughout the Diocese of Kilmore and to meet the costs of central administration. The Curial Funds include levies on the parishes, income from investment and bequests and legacies which are allocated to education and formation of clergy, safeguarding of children, assistance of schools, adult faith formation, and provision for our youth ministry, marriage tribunal services and administration services.

Kilmore Diocesan Pastoral Centre

The Diocesan Pastoral Centre offers outreach and support to parishes in the Diocese by providing resources for individuals, groups and parishes in their human and faith development. It strives to promote evangelisation, pastoral renewal and the further development of pastoral ministry practice throughout the Diocese.

St. Patrick's Trust

St. Patrick's Trust was established to hold, in trust, lands and buildings as defined by the Trust and have appointed Trustees to apply the rents and income of these properties towards on-going maintenance of the properties of the Trust as they deem fit.

DIOCESE OF KILMORE CURIA R.C. CHARITY INFORMATION

For the year ended 31st December 2019

Lourdes Diocesan Pilgrimage Fund

The fund is managed by a committee established to raise funds, through church collections and fundraising activities, to cover costs of the annual Diocesan Pilgrimage to Lourdes.

Connected Charities

The following charities are linked to the Diocese of Kilmore Curia R.C. and have similar or related charitable objectives but are separately registered with the Charities Regulatory Authority or the Companies Registration Office:

- **Diocese of Kilmore Parishes R.C.**
Comprises of the combined financial statements of the 34 parishes of the Diocese of Kilmore.
- **St. Felim's Sick and Infirm Priest's Society CLG**
The Charities principal activity is the provision of assistance to sick, elderly and retired clergy.
- **St. Felim's Diocesan Trust CLG**
The trust was established to act as permanent trustee either alone or jointly with another Trustee or Trustees for property and investments of every kind, owned by, held in trust for, or used in connection with the Roman Catholic Church in the Diocese of Kilmore.

The Diocese of Kilmore Curia R.C. also relates closely to agencies that exist as independent charities, the main ones being Trocaire and Accord.

Financial Review

Incoming resources total in the year was €1,224,723 in 2019. Resources expended total was €1,315,630. The costs are covered in large by means of a levy on the parishes.

Risk Management

The Diocese of Kilmore Curia R.C. has identified all major risks to which it is exposed and is satisfied that sufficient procedures and systems are in place to mitigate exposure to those risks. The Diocese of Kilmore Curia R.C. carries out a review of its risk assessment regularly and tailors the existing safeguards to meet any new exposure.

Covid-19 – Due to a temporary closure of 'non essential businesses' mandated by government, from 7th – 8th March 2020 there were no public masses but they were reopened to the public on 29th June 2020. This in turn impacted our diocesan levies receivable and public closures affected rentals (Pastoral Centre meeting rooms). Whilst this resulted in the reduction of levies applied and the temporary cessation of some rental income, a significant portion of our income, remains recoverable and unaffected.

Although the effects cannot be fully determined, the trustees believe that the main risks associated with Covid-19 are as follows:

- a potential for a series of temporary closure measures resulting in a slowdown in activities;
- a prolonged period of government recommendations and restrictions on the movement of people to contain the virus especially in the event of a 'second wave'.

DIOCESE OF KILMORE CURIA R.C. CHARITY INFORMATION

For the year ended 31st December 2019

Reserves Policy

The policy of the Diocese of Kilmore Curia R.C. is to ensure that it has adequate reserves to meet its charitable obligations and day to day requirements and to accommodate for changes in future investment values and exceptional expenditure.

Investment Policy

The objectives of the Diocese of Kilmore Curia R.C. investment policy is to ensure that investments will be undertaken in a manner that seeks to ensure the preservation of capital, mitigating against inflation, credit risk and currency risk.

Accounting Records

The Trustees, with the assistance of the Diocesan Finance Committee, are responsible for ensuring the preparation of annual accounts, which present fairly the financial situation of the Diocese of Kilmore Curia R.C. and of its income and expenditure for that year.

In preparing the Financial Statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare Financial Statements on the going concern basis, unless it is inappropriate to do so.

The Trustees are responsible for keeping proper accounting records which comply with accounting standards and which disclose, with reasonable accuracy at any time, the financial position of the Charitable Trust. To ensure that proper books and records are kept, the Diocese of Kilmore Curia R.C. has employed appropriately qualified personnel and has maintained appropriate computerised accounting systems. It is also responsible for safeguarding the assets of the Trust, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Post reporting date events

Covid-19 - In the first half of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. Throughout March 2020 increasing restrictions were placed on people and activities, culminating in all but "essential" businesses being ordered to close temporarily.

In line with the public health guidelines, no attendees were permitted at masses from the 7th – 8th March until 29th June 2020 and the parishes instead began to stream masses On-Line where possible, which has affected parish offertories and consequently their ability to pay the Diocesan Levies. This temporary shutdown also resulted in the loss of rental income from the Kilmore Diocesan Pastoral Centre. The Kilmore Diocesan Pilgrimage to Lourdes was also cancelled during the year due to travel restrictions, with no fundraising undertaken.

This has had a negative impact on the Charity since the year end and activity levels have reduced. However, at date of signing of the financial statements, we are confident that the Charity is well placed to continue through the restriction period and to be fully operational once the period of restriction is lifted.

DIOCESE OF KILMORE CURIA R.C. CHARITY INFORMATION

For the year ended 31st December 2019

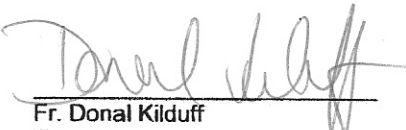
Appointment of New Bishop – On 29th June 2020 Pope Francis appointed the Very Reverend Martin Hayes as Bishop of Kilmore. On Sunday 20th September the Episcopal Ordination took place in the Cathedral of SS. Patrick & Felim in Cavan. The Diocese continues to pray for Bishop Hayes as he takes up his new ministry as shepherd of God's flock in the Diocese of Kilmore.

Plans for the future

At the time of approving the financial statements, the Charity is exposed to the effects of the Covid-19 pandemic which has had a negative effect on some elements of its activities since the year end. Nationally imposed restrictions have obliged us to reduce numbers able to physically attend public masses. This resulted in many parishes investing in online streaming services to ensure that parishioners could continue to view mass services. The reduction in numbers attending events has resulted in certain events being curtailed or cancelled.

However, the Diocese has been proactive in adopting to the restrictions imposed due to Covid-19 with strict protocols in place in all work areas and buildings to ensure a safe environment for staff and visitors. The Diocese Curia will continue with its programme of work to meet its objectives and to ensure that it conforms to all best practice guidelines for a not for profit entity.


Bishop Martin Hayes
Trustee


Fr. Donal Kilduff
Trustee

Date: 22 October 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE DIOCESE OF KILMORE CURIA R.C.
YEAR ENDED 31ST DECEMBER 2019**

Opinion

We have audited the non-statutory Financial Statements of the Diocese of Kilmore Curia R.C. for the year ended 31st December, 2019 which comprise of Statement of Financial Activities, Balance Sheet, Cashflow Statement and notes to the Financial Statements, including a summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is applicable Irish Law and Accounting Standards, including Financial Reporting Standard 102 *"The Financial Reporting Standard applicable in the UK and Republic of Ireland"* as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

In our opinion, the Financial Statements:

- give a true and fair view of the assets, liabilities and financial position of the charity as at 31st December, 2019 and of its net movement in funds and cash flows, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 *"The Financial Reporting Standard applicable in the UK and Republic of Ireland"*.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Irish Auditing and Accounting Service Authority's ("IAASA") Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE DIOCESE OF KILMORE CURIA R.C.
YEAR ENDED 31ST DECEMBER 2019**

Other Information

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

Opinion on other matters on which we are required to report

In our opinion, based on the work undertaken in the course of the audit:

- we have obtained all the information and explanations which we consider necessary for the purposes of our audit;
- the accounting records of the charity were sufficient to permit the financial statements to be readily and properly audited;
- the information given in the Charity Overview is consistent with the financial statements; and
- the financial statements are in agreement with the accounting records.

Responsibilities of trustees for the Financial Statements

As explained more fully in the Trustees' Responsibilities Statement on page 4, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

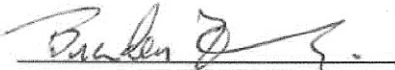
A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE DIOCESE OF KILMORE CURIA R.C.
YEAR ENDED 31ST DECEMBER 2019**

The Purpose of our Audit Work and to Whom We Owe our Responsibilities

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

Signed by:



Brendan Young, FCA.

For and on behalf of:

McDwyer Lennon & Co.,
Chartered Accountants and
Statutory Auditors,
Esker Place,
Cathedral Road,
CAVAN.

Date: 22nd October 2020

DIOCESE OF KILMORE CURIA R.C. **STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 31st December 2019

	Notes	Unrestricted Funds	Designated Funds	Restricted Funds	2019 €	2018 €
Incoming Resources						
Donations and Legacies	3	513,047	3,679	375,827	892,553	984,149
Charitable Activities	4	26,002	-	58,800	84,802	79,728
Fundraising Activities		-	-	2,924	2,924	4,150
Investment Activities	5	71,558	85,488	22,071	179,117	156,668
Other Income		3,465	-	61,862	65,327	63,323
Total Incoming Resources		614,072	89,167	521,484	1,224,723	1,288,018
Resources Expended						
Expenditure on Raising Funds		-	-	-	-	-
Charitable Activities	7	652,884	98,796	181,016	932,696	1,187,120
Other Expenditure	8	42,066	-	340,868	382,934	525,725
Total Resources Expended		694,950	98,796	521,884	1,315,630	1,712,845
Net gain on Revaluation of Investments	12	-	-	1,941	1,941	-
Net Income		(80,878)	(9,629)	1,541	(88,966)	(424,827)
Transfer between funds		24,000	-	(24,000)	-	-
Other recognised gains/ (losses)		-	-	-	-	275,622
Net movement in funds		(56,878)	(9,629)	(22,459)	(88,966)	(149,205)
Reconciliation of Funds:						
Total brought forward	15	1,614,116	32,526	3,050,532	4,697,174	4,846,379
Total funds carried forward		1,557,238	22,897	3,028,073	4,608,208	4,697,174

All income and expenditure arises from continuing operations. There are no recognised gains or losses other than the result for the year.

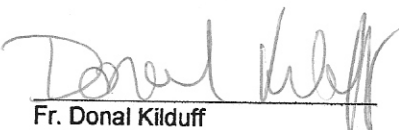
**DIOCESE OF KILMORE CURIA R.C.
BALANCE SHEET**

As at 31st December 2019

	Notes	€	2019 €	€	2018 €
Fixed Assets					
Tangible Assets	10		3,105,616		3,160,040
Investment Properties	11		150,000		150,000
Investments	12		3,882		1,941
			<u>3,259,498</u>		<u>3,311,981</u>
Current Assets					
Debtors and Prepayments	13	63,308		104,340	
Bank and Cash and Deposit Accounts		1,619,824		1,675,716	
		<u>1,683,132</u>		<u>1,780,056</u>	
Creditors: Amounts falling due within One year	14	(334,422)		(394,863)	
Net Current Assets			<u>1,348,710</u>		<u>1,385,193</u>
Total Assets less Current Liabilities			<u>4,608,208</u>		<u>4,697,174</u>
Total Net Assets			<u>4,608,208</u>		<u>4,697,174</u>
Charity Funds	16/17				
Unrestricted Funds			1,557,238		1,614,116
Designated Funds			22,897		32,526
Restricted Funds			3,028,073		3,050,532
Total Charity Funds			<u>4,608,208</u>		<u>4,697,174</u>

The financial statements were approved and authorised for issuing by the board of trustees on 22/10/2020
They were signed on its behalf by:


Bishop Martin Hayes
Trustee


Fr. Donal Kilduff
Trustee

**DIOCESE OF KILMORE CURIA R.C.
CASHFLOW STATEMENT**

For the year ended 31st December 2019

	Notes	2019 €	2018 €
Cash Flows from Charitable Activities			
Net Cash used in Charitable Activities	19	(241,847)	(432,396)
Cash Flows from Investing Activities			
Purchase/Sale of Fixed Assets		(6,097)	-
Investment Income Received		179,117	156,668
Net Cash Flows from Investing Activities		<u>173,020</u>	<u>156,668</u>
Cash Flows from Financing Activities			
Finance lease payments		<u>(4,452)</u>	<u>(4,452)</u>
Change in Cash and Cash Equivalents in year		<u>(73,279)</u>	<u>(280,180)</u>
Cash and cash equivalents at beginning of year		1,675,716	1,958,392
Change due to exchange rate movements		<u>17,387</u>	<u>(2,496)</u>
Cash and Cash Equivalents at end of year		<u><u>1,619,824</u></u>	<u><u>1,675,716</u></u>

DIOCESE OF KILMORE CURIA R.C.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2019

1. Accounting Policies

The significant accounting policies adopted and applied consistently are as follows:

1.1 Basis of Preparation

The Financial Statements have been prepared under historical cost convention, modified to include the revaluation of property and to include investment properties and certain items at fair value and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their Accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 1A) and FRS 102 Section 1A.

The Financial Statements have been prepared on a going concern basis. The Board of Trustees has reviewed the Charity's financial position and consequently believes there are sufficient resources to manage any operational or financial risks. The Board of Trustees, therefore, considers there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. There is no material uncertainty about the ability to continue as a going concern.

1.2 Functional Currency

The Financial Statements are prepared in euros, which is the functional currency. Monetary amounts in these Financial Statements are rounded to the nearest €.

1.3 Incoming Resources

Income Resources are included in the Statement of Financial Activities based on amounts receivable for the year. Donations and legacies are included when there is sufficient certainty of receipt. Investment income is included in the year in which it was earned.

1.4 Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

1.5 Fund Accounting

There are three types of funds maintained as follows:

- Restricted funds represent income which can only be used for particular purposes specified.
- Unrestricted funds are expendable at the discretion of the charity in furtherance of the objectives of the charity.
- Designated funds have been set aside for a particular purpose of the charity.

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

Accounting Policies (continued)

1.6 Tangible Fixed Assets and Depreciation

Land

Freehold land is included in the Financial Statements at market value as at 31st December, 2019. Freehold land is not depreciated as it has an indefinitely long useful life.

Buildings

Freehold buildings additions are recorded at cost less accumulated depreciation.

However, in 2014, the method used to record the very old established buildings, in the absence of cost values, was to include those buildings at discounted insurance replacement values. This was the policy employed to include the assets on the Balance Sheet at a deemed historic cost net of accumulated depreciation. The Trustees took the view that this was the most prudent approach and the approach that would result in the most reliable representation of value.

Investment Property

Investment properties whose fair value can be measured reliably are included in the Fixed Assets on the Balance Sheet, at their fair value amount. Changes in fair value are recognised in the Statement of Financial Activities.

School Property

Land and buildings, legally owned by the Diocese of Kilmore Curia R.C. and occupied rent free by Catholic schools, through a lease with the Department of Education and Skills, and publicly funded are valued at €Nil for the purposes of the accounts. No meaningful value can be attributed to these assets since they are not used directly by the Charity, do not generate income and cannot be disposed of in the open market or put to an alternative use, while such occupation, which may be indefinite, continues.

Fixtures, Fittings and Equipment

Fixtures, Fittings and Equipment which do not form part of the fabric of the buildings and costing in excess of €1,000 are capitalised at cost. In 2014, fixtures and fittings over 5 years old where the original cost was not known were brought into the Balance Sheet at a nominal value as they were deemed to be fully depreciated.

Works of Art and Historic Treasures

Work of Art, historic treasures and religious artefacts are considered to be heritage assets for the purposes of charities SORP (FRS 102). The heritage assets have not been capitalised in the accounts as they are held in a manner consistent with the advancement of the Roman Catholic Faith, have extraordinarily long lives and are worth preserving in perpetuity.

Depreciation

Depreciation is calculated to write off cost evenly over the remainder of the assets useful life using the following rates:

Land	n/a	
Buildings	2%	Straight Line
Fixtures, Fittings & Equipment	20%	Straight Line

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

Accounting Policies (continued)

1.7 Leasing

Assets obtained under hire purchase or finance lease are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such arrangements are included in creditors net of finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities to produce a constant period rate of charge on the net obligation outstanding in each period.

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Financial Activity on a straight-line basis over the period of the lease.

1.8 Investments

Investments are stated at market value. Any realised or unrealised surplus or deficit on investments is recognised in the Statement of Financial Activities in the year.

1.9 Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.10 Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status, Charity No. CHY 7215. Irrecoverable Value Added Tax is expended as incurred.

1.11 Capital Grants and Grant Income

Income from government grants (whether 'capital' or 'revenue') and other grants, both 'capital' and 'revenue', is recognised and not deferred when the charity -:

- has entitlement to the funds;
- any performance conditions attached have been met;
- it is probable that the income will be received; and
- the amount can be measured reliably.

Where grants are initially deferred, they are amortised to the Statement of Financial Activities at an appropriate rate taking into account the useful life of the underlying expenditure, and unamortised balances are recognised under creditors in the charity's Balance Sheet.

1.12 Financial Instruments

Financial instruments are recognised in the charity's Statement of Financial position when the charity becomes party to the contractual provisions of the instrument.

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

Basic Financial Assets

Operating and other debtors are recognised initially at transaction price.

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the Balance Sheet.

Basic Financial Liabilities

Basic financial liabilities include operating and other payable and bank loans.

Operating and other creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price.

2. Judgements and Key Sources of Estimation Uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgement, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

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 discussed below:

Establishing useful economic lives for depreciation purposes of property, fixtures & fittings and equipment.

Long lived assets, consisting of property, fixtures & fittings and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimate of residual values. The Trustees regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful economic lives is included in the accounting policies.

3. Donations and Legacies

	2019	2018
	€	€
Donations/Bequests	27,056	48,104
Special Collections	357,121	477,591
Parish Levies	495,886	450,305
Priests Contributions	6,990	8,149
Grant Income	5,500	-
	<u>892,553</u>	<u>984,149</u>

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

4. Charitable Activities

	2019	2018
	€	€
Event Income	84,802	79,728
	<u>84,802</u>	<u>79,728</u>
	=====	=====

5. Investment Activities

	2019	2018
	€	€
Rental Income	178,809	153,695
Interest Received	308	2,954
Dividends Received	-	19
	<u>179,117</u>	<u>156,668</u>
	=====	=====

6. Total Resources Expended

	2019	2018
	€	€
Charitable Activities		
Expenditure on Raising Funds	-	-
Charitable Activities (note 7)	932,696	1,187,120
Other Expenditure (note 8)	382,934	525,725
	<u>1,315,630</u>	<u>1,712,845</u>
	=====	=====

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

7. Expenditure on Charitable Activities

	2019	2018
	€	€
Education & formation of clergy	95,666	124,260
Pastoral development & community	233,786	270,534
Schools & catechetics	57,307	57,279
Administration costs:		
Salary and Administration costs	89,257	97,201
Rates	4,674	5,433
Light & heat	19,366	26,159
Printing, postage	8,579	11,852
Telephone	8,210	9,149
Computer costs	6,827	3,586
Publications	3,196	16,493
Insurance	30,283	31,116
Repairs & maintenance	20,322	30,661
Security	1,324	762
Legal & professional fees	145,169	302,912
Audit fees	5,412	5,412
Foreign exchange movement	(17,387)	2,496
Bank interest & charges	1,380	2,283
Finance lease interest	1,454	1,925
General expenses (incl Presentation)	28,720	3,689
Depreciation	64,368	64,054
Bad debt	-	7,969
Profit on disposal of asset	(1,029)	-
Support Costs:		
Marriage tribunal	16,236	20,621
Child protection	61,952	52,411
National Bishops' Conference	40,004	38,863
Data Protection	7,620	-
	<u>932,696</u>	<u>1,187,120</u>
	=====	=====

8. Other Expenditure

	2019	2018
	€	€
Special Collections:		
Holy Land Collection	18,767	19,110
African Missions	41,803	45,190
Trocaire	209,290	201,874
Pope's Collection	18,936	22,834
World Meeting of Families	47,896	101,987
St. Patrick's Day Collection	46,242	121,469
	<u>382,934</u>	<u>512,464</u>
Cathedraticum	-	13,261
	<u>-</u>	<u>13,261</u>
Total Other Expenditure	<u>382,934</u>	<u>525,725</u>
	=====	=====

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

9. Staff Costs

The average number of employees during the financial year was 12 (2018: 12).

The overall aggregate amounts paid to or on behalf of staff, and included in each category of charitable activities, are as follows:

	2019	2018
	€	€
Wages and Salaries	256,155	262,451
Social Welfare Costs	22,261	22,325
	<u>278,416</u>	<u>284,776</u>

The Trustees and members of the Finance Committee do not receive remuneration for their services as Trustees and Committee members. Directly incurred expenses are reimbursed, if claimed, and amounted to €Nil (2018: €Nil).

10. Fixed Assets

	Land	Buildings	F, F & E	Total
	€	€	€	€
Cost				
1 January 2019	580,000	3,087,719	183,778	3,851,497
Additions	-	15,714	-	15,714
Disposals	-	-	(9,617)	(9,615)
Revaluation	-	-	-	-
31 December 2019	<u>580,000</u>	<u>3,103,433</u>	<u>174,161</u>	<u>3,857,596</u>
Depreciation				
1 January 2019	-	516,490	174,967	691,457
Charge for year	-	62,068	2,299	64,368
On Disposals	-	-	(3,846)	(3,845)
31 December 2019	<u>-</u>	<u>578,558</u>	<u>173,420</u>	<u>751,980</u>
Net Book Value				
1 January 2019	<u>580,000</u>	<u>2,571,229</u>	<u>8,811</u>	<u>3,160,040</u>
31 December 2019	<u>580,000</u>	<u>2,524,875</u>	<u>741</u>	<u>3,105,616</u>

Included above are the following amounts in respect of furniture, fittings and equipment held under finance leases:

	2019	2018
	€	€
Net Book Value	-	7,692
Depreciation Charge for the year	-	1,923

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

11. Investment Properties

Investment properties are included at their estimated open market valuation at the Balance Sheet Date. The valuation of investment properties is performed by an independent auctioneer.

	Total €
<u>Valuation B/Fwd</u>	
At beginning of year	150,000
Additions in year	-
Disposals	-
At end of year	150,000 =====
Revaluation in year	-
<u>Depreciation</u>	
At beginning of year	-
Charge for year	-
At end of year	- =====
Net Book Value A 31 December 2019	150,000 =====
At 31 December 2019	150,000 =====

12. Investments

	2019 €	2018 €
Investment in Shares	3,882	1,941
Investments		
	1 January 2019 €	Movement €
Value		31 December 2019 €
Fixed Asset Investments	1,941	3,882
	<u>1,941</u> =====	<u>3,882</u> =====

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

13. Debtors and prepayments

	2019 €	2018 €
Trade Debtors	12,205	7,684
Amounts owed from related parties	25,350	72,260
Accrued Income	-	2,771
Prepayments	25,753	21,625
	<u>63,308</u>	<u>104,340</u>

14. Current Liabilities (due less than one year)

	2019 €	2018 €
Creditors	22,513	19,932
Amounts held for related parties	21,004	21,004
PAYE/PRSI	16,873	15,740
Other Creditors	-	14,249
Special Collections	27,834	47,259
Accruals	138,643	144,584
Deferred Income	107,555	122,287
Finance Lease	-	9,808
	<u>334,422</u>	<u>394,863</u>

15. Analysis of Net Funds

	Unrestricted Funds €	Designated Funds €	Restricted Funds €	2019
<i>At 1 January 2019:</i>				
Reserves	1,614,116	32,526	2,774,910	
Revaluation Reserve			275,622	
	<u>1,614,116</u>	<u>32,526</u>	<u>3,050,532</u>	<u>4,697,174</u>
Net Income for the year	(80,878)	(9,629)	1,541	(88,966)
Transfer between funds	24,000	-	(24,000)	-
Gains and Losses	-	-	-	-
<i>At 31 December 2019:</i>				
Reserves	1,557,238	22,897	2,752,451	
Revaluation Reserve			275,622	
	<u>1,557,238</u>	<u>22,897</u>	<u>3,028,073</u>	<u>4,608,208</u>

The unrestricted reserve represents the free funds of the charity which are not designated for particular purposes.

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

16. Analysis of Net Assets between Funds

	Unrestricted Funds	Designated Funds	Restricted Funds	2019
	€	€	€	€
Tangible Assets	534,508	-	2,571,108	3,105,616
Investments	150,000	-	3,882	153,882
Current Assets	1,046,902	22,897	613,333	1,683,132
Current Liabilities	(174,172)	-	(160,250)	(334,422)
Long Term Liabilities	-	-	-	-
Net Assets at 31 December 2019	1,557,238	22,897	3,028,073	4,608,208

17. Movement in Funds

	At 1 January 2019	Income	Expenditure	Transfers	Gain and Losses	At 31 December 2019
	€	€	€	€	€	€
Unrestricted Funds	1,614,116	614,072	(694,950)	24,000	-	1,557,238
Designated Funds	32,526	89,167	(98,796)	-	-	22,897
Restricted Funds	2,774,910	521,484	(521,884)	(24,000)	1,941	2,752,451
Restricted – Revaluation Reserve	275,622	-	-	-	-	275,622
TOTAL FUNDS	4,697,174	1,224,723	(1,315,630)	-	1,941	4,608,208

Restricted Funds

The Diocese of Kilmore Curia R.C. have restricted funds for the following purposes:

		€
Special Collection	For onward support of outside missions	20,364
Lourdes Pilgrimage	Assistance to those taking annual pilgrimage	174,668
St. Patrick's Trust	Maintenance of assets of St. Patrick's Trust and the support & promotion of Catholic Education as defined by the Trust	2,807,749
Other Restricted Funds		25,292
Total Restricted Funds		3,028,073

DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2019

18. Financial Instruments

	2019 €	2018 €
Financial Assets that are equity Instruments measured at cost less Impairment		
Investments in Unlisted Shares	3,882	1,941
Financial Assets that are debt Instruments measured at amortised Cost		
Operating and other debtors	37,555	39,589
Cash and short term deposits	1,619,824	1,675,716
Prepayments	25,753	21,625
Financial Liabilities measured at Amortised Cost		
Trade Creditors	22,513	19,932
Finance Leases	-	9,808
Accruals for goods and services	138,643	144,584

19. Reconciliation of Operating Deficit to Net Cash Inflow/(Outflow) from Operating Activities

	2019 €	2018 €
Net (Outgoing)/Incoming Resources	(88,966)	(149,205)
Addbacks/Deductions		
Depreciation/Revaluation	61,398	(211,568)
Loss on Foreign Exchange	(17,387)	2,496
Investment Income	(179,117)	(156,668)
Finance Lease Interest	1,454	1,925
Movement in Debtors	41,032	260,506
Movement in Creditors	(60,261)	(179,882)
Net Cash generated from Operating Activities	(241,847)	(432,396)

**DIOCESE OF KILMORE CURIA R.C.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31st December 2019

20. Post Balance Sheet Events

In line with the public health guidelines designed to slow the spread of Covid-19, no attendees were permitted at masses from the 7th – 8th March until 29th June 2020 and the parishes instead began to stream masses On-Line where possible, which has affected parish offertories and consequently their ability to pay the Diocesan Levies. This temporary shutdown also resulted in the loss of rental income from the Kilmore Diocesan Pastoral Centre. The Kilmore Diocesan Pilgrimage to Lourdes was also cancelled during the year due to travel restrictions, with no fundraising undertaken.

This has had a negative impact on the Charity since the year end and activity levels have reduced. However, at date of signing of the financial statements, we are confident that the Charity is well placed to continue through the restriction period and to be fully operational once the period of restriction is lifted.

At the time of approving the financial statements, there is uncertainty regarding how the balance sheet may be impacted based on events since the year end and as a result an estimate of its financial effect cannot be made.

21. Related Party Transactions

	Op Bal €	Rec'd €	Payable €	Cl Bal €
Diocese of Kilmore Parishes RC	(51,257)	344,656	(297,745)	(4,346)

Accompanying Notes

The Diocese of Kilmore Curia R.C. ("Curia") and Diocese of Kilmore Parishes R.C. ("Parishes") have common Trustees.

At 1 January 2019 the Curia were owed funds from the parishes in the amount of €51,257. During the year there was movement of €46,911. At the 31 December 2019, an amount of €4,346 was owed from the Parishes.

22. Approval of the Financial Statements

The Board of Trustees approved the Financial Statements on the 22nd October 2020