

**Diocese of Connor**

**Financial statements for the year ended  
31 December 2023**

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## **Diocesan information as at 31 December 2023**

### **The Diocesan Council for Connor**

#### **Ex-officio**

The Bishop	The Right Reverend G T W Davison
The Archdeacon of Belfast	The Venerable B G Forde
The Archdeacon of Connor	The Venerable S R McBride
The Archdeacon of Dalriada	The Venerable E P Dundas

### **Honorary Secretaries of the Diocesan Synod and Council**

<b>Archdeaconry of Belfast</b> The Rev Canon J C Carson N W Lyons	<b>Archdeaconry of Connor</b> The Rev W J Boyd ( <i>from June 2023</i> ) Mr S R Addis ( <i>from June 2023</i> )	<b>Archdeaconry of Dalriada</b> The Rev T A G McCann T Lyttle OBE
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### **Clerical Diocesan Council**

<b>Archdeaconry of Belfast</b> The Rev P B Jones The Rev Canon T K D Graham ( <i>until Sept 2023</i> ) The Very Rev S B Forde ( <i>until June 2023 and from Sept 2023</i> ) The Rev Canon W J Taggart ( <i>until June 2023</i> ) The Rev T S Johnston ( <i>from June 2023</i> ) The Rev C B Lacey ( <i>from June 2023</i> ) The Rev P Blair	<b>Archdeaconry of Connor</b> The Rev N J Dark The Rev Cannon D P Kerr  The Rev J D Campbell-Smyth ( <i>from June 2023</i> ) The Rev A D G McAlister ( <i>until June 2023</i> ) The Very Rev W S Wright, Dean of Connor	<b>Archdeaconry of Dalriada</b> The Rev A P Campbell The Rev Cannon R M McConnell  The Rev D C Christie  The Rev D Lockhart  The Rev N Ervine ( <i>from June 2023 to Dec 2023</i> )
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### **Lay Diocesan Council**

<b>Archdeaconry of Belfast</b> Mrs J Weir MBE Dr K F Dunn ( <i>until June 2023</i> ) G Edgar A W Macartney R J Patterson A McIntosh ( <i>until June 2023</i> ) Mrs A Miskimmin ( <i>until June 2023</i> ) G E McGaughey ( <i>from June 2023</i> ) J R Martin ( <i>from June 2023</i> )	<b>Archdeaconry of Connor</b> H R J Totten MBE T Flanigan ( <i>until June 2023</i> ) Mrs C L H Cherry MBE T G Stevenson ( <i>until June 2023</i> ) J Neill J W Wallace J A Williams ( <i>from June 2023</i> )	<b>Archdeaconry of Dalriada</b> J Richardson N R Bolt Mrs V H Knott ( <i>until June 2023</i> ) R G Reade ( <i>until June 2023</i> ) Mrs N Nixon ( <i>until June 2023</i> ) Dr A J Campbell S R Simpson ( <i>from June 2023</i> ) K McGall ( <i>from June 2023</i> ) J A Thompson ( <i>from June 2023</i> ) G E Cinnamon ( <i>from June 2023</i> )
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### **Co-opted members**

The Rev A E Adams  
Dr J S Brown  
Mr J Brown (*until June 2023*)

## **Diocesan information as at 31 December 2023 (cont'd)**

### **Registered office**

Connor Diocesan Office  
Unit 1 Channel Wharf  
21 Old Channel Road  
Belfast  
BT3 9DE

### **Auditors**

ASM (D) Ltd  
79 Cunninghams Lane  
Dungannon  
Co Tyrone  
BT71 6 BX

### **Solicitors**

Edwards & Co  
28 Hill Street  
Belfast  
BT1 2LA

Silkin NI LLP  
220 Ormeau Road  
Belfast  
BT7 2FY

### **Bank**

AIB (NI)  
University Road  
Belfast  
BT7 1ND

## **Report of the Diocesan Council for the year ended 31 December 2023**

The Diocesan Council, who are the Trustees for charitable purposes, presents its report and audited annual financial statements for the Diocese for the year ended 31 December 2023. The Council has adopted the provisions of the Charities Acts (Northern Ireland) 2008 & 2013 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015).

### **Objectives and activities**

The objectives and activities of the Diocesan Council, which are unchanged from last year, are principally to manage certain affairs in relation to the cures in its area of operation, to assist with the strengthening and encouragement of those cures and other supporting activities which include financial and administration services to achieve these objectives.

The Trustees are aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the Diocese. We believe that by promoting the work of the Church of Ireland in the Diocese of Connor we help to promote the whole mission of the Church (pastoral, evangelistic, social and ecumenical) more effectively, both in the Diocese as a whole and in its individual parishes, and that this provides a benefit to the public by:

- Providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for our members and for anyone who wishes to benefit from what the Church offers; and
- Promoting Christian values, and service by members of the Church in and to their communities, to the benefit of individuals and society as a whole.

### **Achievements and performance**

In the year under review, the financial position of the Diocese decreased, this is mainly due to the prudence in providing for bad debt. Although the Fair Share income is still the largest stream of income, this is being very quickly caught up by the clergy pension fund and overall other income as a total supersedes the Fair Share. Investment income has increased by 10.9% over the previous year mainly due to returns on investments at the RCB having a higher dividend this year, bank interest also so shows a significant gain as interest rates have crept up during 2023.

The value of investments held within assets saw a small drop this year, this reflects the sale of an investment property. There has been a net gain on investments held, this is because stock markets have recovered during the year. A review of the investments was also carried out by the Finance Committee, but no significant changes were recommended to Diocese Council.

Overall, the Diocesan Funds have increased from £4,014,525 in 2022 to £4,225,051 in 2023.

A review of the parish banding system was carried out in 2023 with a report going to Diocesan Council at its first meeting in 2024.

### **Financial review**

The financial statements are presented in the standard format required by Statement of Recommended Practice 'Accounting and Reporting by Charities' as issued in March 2015. The Statement of Financial Activities (SOFA) shows gross income from all sources.

## **Report of the Diocesan Council for the year ended 31 December 2023 (cont'd)**

### **Results**

During 2023, the Diocese had net expenditure of £18,901 (2022: net income £44,405).

Expenditure for the Diocesan Development programme decreased to £230,826 (2022: £263,941).

This year the Diocesan Council has again included a significant provision for doubtful debts. The Council would be hopeful to collect all monies due, but prudence suggests that provision should be made in recognition that there may be difficulties in collecting certain items. The provision made for debtors in 2023 is £313,620 (2022: £252,352).

Our creditors this year fell significantly from £335,979 in 2022 to £83,577 in 2023 as we repaid loans funded to us by the RCB. This is reflected in the fall in our bank balances by the end of the year, 2023 £567,776 (2022: £823,259).

### **Going concern**

The Diocesan Council has reviewed its financial projections and is satisfied that adequate funding is in place to ensure the Diocese can continue its operations and that the financial statements for the year ended 31st December 2023 can be signed off as a going concern.

### **Structure, governance and management**

The Diocese of Connor was established in its present form by Act of the General Synod in 1945 and is regulated by General Synod of the Church of Ireland and its own diocesan regulations, authority for both stem from the provisions of the Irish Church Act 1869.

The Diocesan Council is a body elected by the Diocesan Synod which meets to consider and regulate the financial and other matters of the Diocese about five times per annum. Day to day work is delegated to the administrative staff with oversight given to the Diocesan Finance Committee. This committee is scheduled to meet five or six times per annum and takes a detailed look at all Diocesan financial matters.

Newly elected members will receive Trustee training from the RCB.

### **Principal risks**

The Diocesan Council in the normal course of its oversight of activities has given due consideration to the principal risks that it faces, in particular those related to the long term operational and financial well-being of the Diocese of Connor. Whilst keeping matters under review, the Diocesan Council is satisfied that systems are in place to mitigate major risks. Investment and financial risks are primarily under the purview of the Diocesan Finance Committee and the trustee bodies to whom the funds have been entrusted. The Diocesan Finance Committee had requested the creation of a formal Risk Register, this was agreed by the Diocesan Council presented at the February 2018 meeting and was reviewed in November 2020. A further review occurred during 2022 and was adopted by Diocesan Council at its November 2022 meeting.

## **Report of the Diocesan Council for the year ended 31 December 2023 (cont'd)**

### **Reserves policy**

The Diocesan Council generally raises such funds from the parishes in its care as are required to meet operational requirements. In addition, capital and revenue reserves are maintained under designated funds which are operationally controlled by the Diocesan Council, but which are under the trustee care of the Representative Church Body and Church of Ireland Trustees. As such, the Diocesan Council does not seek to maintain a specific ratio of reserves to, for example, revenue requirements, but it does seek both to protect its operational integrity and limit the call on parochial resources through careful use of all funds under its control.

The level of unrestricted reserves at 31 December 2023 were £1,219,729 and the level of restricted reserves were £3,005,322.

### **Investments**

All investments are held upon trust by either the Church of Ireland Trustees or the Representative Church Body, both are bodies corporate with full trust and investment powers. In almost all cases, the capital invested is held as a permanent endowment for diocesan funds and only the income is available for the revenue expenditure by the Diocesan Council.

Both bodies manage their investments under professional advisement to protect the long-term capital and income requirements of the dioceses, parishes, trusts etc.

### **Church of Ireland House**

Church of Ireland House has been held by a Declaration of Trust dated November 1994, between Church of Ireland Trustees and the Joint Committee of the Dioceses of Down and Dromore and Connor. Legal advice has shown that Church of Ireland House in Belfast is owned by the Joint Committee on behalf of the two Dioceses. Church of Ireland House was sold on the 31 July 2023, the funds of which are now held by the Joint Committee.

The Diocese of Connor's share in the Joint Committee is recognised as a tangible asset in its financial statements.

### **Taxation status**

The Diocesan Council of Connor has been granted charitable recognition by HMRC. The Diocesan Council is entitled to certain tax exemptions on income and profits from activities carried on in furtherance of primary objectives. Charities legislation in Northern Ireland will directly impact on the Diocesan Council and is expected to enhance and define charitable status.

The Diocesan Council is not registered for VAT and all expenditure is recorded inclusive of any VAT incurred.

## **Report of the Diocesan Council for the year ended 31 December 2023 (cont'd)**

### **Plans for future periods**

The Diocesan Council intends to continue with its basic supportive and administrative functions in developing the work and witness of the Church of Ireland in Connor.

The Permanent Commission for the Archdeaconry of Belfast is currently reviewing the Mid-Belfast rural deanery and is anticipated to bring forward proposals for the ministry in the mid-Belfast area during 2024. Other parish groupings in North Belfast are also under review.

The Finance Committee have commenced gathering information to pull together a register of Trustees interests, this is hoped to be completed during 2024.

### **Diocesan Council responsibility in respect of the annual financial statements**

The Diocesan Council is responsible for the preparation of the financial statements for each financial year which give a true and fair view of the state of affairs of the Diocese as at the end of the financial year and of the surplus or deficit of the Diocese for that period. In preparing those financial statements, the Diocesan Council is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to do so.

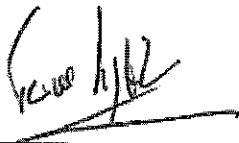
The Diocesan Council is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Diocese and to enable it to ensure that the financial statements comply with the Diocesan Regulations 2010 and any subsequent updates. It is also responsible for safeguarding the assets of the Diocese and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

The auditors for the financial year ended 31 December 2023 are ASM (D) Ltd.

### **Statement of disclosure to auditors**

So far as the members of the Diocesan Council are aware there, is no relevant audit information of which the Diocese's auditors are unaware and they have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Diocese's auditors are aware of that information.

  
**Mr T Lyttle OBE**  
Trustee  
15 May 2024

**ASM**



## **Report of the independent auditors to the Diocesan Council of the Diocese of Connor**

### **Opinion**

We have audited the financial statements of the Diocese of Connor (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Acts (Northern Ireland) 2008 and 2013.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) 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 the UK, including the FRC's Ethical Standard, 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) 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.

## **Report of the independent auditors to the Diocesan Council of the Diocese of Connor (cont'd)**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities Acts (Northern Ireland) 2008 and 2013 requires us to report to you if, in our opinion:

- the information given in the Diocesan Council Annual Report is inconsistent in any material respect with the financial statements; or
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 6, 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.

## **Report of the independent auditors to the Diocesan Council of the Diocese of Connor (cont'd)**

### **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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Charities Acts (Northern Ireland) 2008 and 2013, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

## **Report of the independent auditors to the Diocesan Council of the Diocese of Connor (cont'd)**

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the Charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Acts (Northern Ireland) 2008 and 2013. Our audit work has been undertaken so that we might state to the Charity's Trustees 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 any party other than the Charity and Charity's Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

*ASM (D) Ltd*

ASM (D) Ltd  
Chartered Accountants and Registered Auditors  
Dungannon  
15 May 2024

## Statement of financial activities for the year ended 31 December 2023

		Unrestricted funds		Restricted funds	Total funds	Total funds
		Vision Strategy fund	Other	Other		
	Notes	2023	2023	2023	2023	2022
		£		£	£	£
<b>Income</b>						
<i>Charitable activities:</i>						
Donations	2	11,392	9,120	7,911	28,423	18,590
Diocesan funding	3	-	831,984	5,223	837,207	830,953
Clerical costs	4	-	-	1,043,557	1,043,557	868,473
External grants	5	11,735	19,866	-	31,601	181,253
Investment income	6	9,792	10,320	47,919	68,031	54,491
Other income	7	55,501	65,782	17,169	138,452	119,302
<b>Total income</b>		<u>88,420</u>	<u>937,072</u>	<u>1,121,780</u>	<u>2,147,271</u>	<u>2,073,062</u>
<b>Expenditure</b>						
<i>Charitable activities:</i>						
Central Church costs	8	-	70,784	187,120	257,904	351,164
Clerical costs	9	-	18,071	1,120,309	1,138,380	904,539
Other costs	10	36,078	125,635	4,184	165,897	184,182
<i>Overheads:</i>						
Staffing costs	11	165,906	161,164	33,534	360,604	348,932
Administration costs	12	13,330	85,097	(3,107)	95,320	89,921
Other costs	13	15,512	125,048	1,328	141,888	145,943
Depreciation		-	5,369	-	5,369	3,976
<b>Total expenditure</b>		<u>230,826</u>	<u>591,168</u>	<u>1,343,368</u>	<u>2,165,362</u>	<u>2,028,657</u>
<b>Net income /(expenditure)</b>		<u>(142,406)</u>	<u>345,904</u>	<u>(221,589)</u>	<u>(18,091)</u>	<u>44,405</u>
<b>Other recognised gains/(losses)</b>						
Share of gains/(losses) in Joint Committee		-	151,966	-	151,966	(14,167)
Gains/(losses) on investments		11,053	5,978	59,620	76,651	(373,206)
<b>Net movement in funds</b>		<u>(131,353)</u>	<u>503,848</u>	<u>(161,969)</u>	<u>210,526</u>	<u>(262,859)</u>
Transfers between funds		<u>114,098</u>	<u>(386,098)</u>	<u>272,000</u>	<u>-</u>	<u>-</u>
Total funds at 1 January 2023		<u>328,238</u>	<u>790,996</u>	<u>2,895,291</u>	<u>4,014,525</u>	<u>4,277,384</u>
<b>Total funds at 31 December 2023</b>		<u><u>310,983</u></u>	<u><u>908,746</u></u>	<u><u>3,005,322</u></u>	<u><u>4,225,051</u></u>	<u><u>4,014,525</u></u>

# Balance sheet at 31 December 2023

	Notes	2023 £	2022 £
<b>Non current assets</b>			
Share in Joint Committee assets			
Fixed assets	24	899,763	847,797
Investments	14	14,710	16,526
	15	<u>2,421,516</u>	<u>2,454,765</u>
		3,335,989	3,319,088
<b>Current assets</b>			
Debtors			
Bank	16	404,863	208,157
	17	<u>567,776</u>	<u>823,259</u>
		972,639	1,031,416
Creditors: amounts falling due within one year	18	<u>(83,577)</u>	<u>(235,979)</u>
<b>Net current assets</b>		<u>889,062</u>	<u>795,437</u>
<b>Total assets less current liabilities</b>		<u>4,225,051</u>	<u>4,114,525</u>
Creditors: amounts falling due after more than one year	19	<u>-</u>	<u>(100,000)</u>
<b>Total net assets</b>		<u>4,225,051</u>	<u>4,014,525</u>
<b>Reserves</b>			
Restricted funds	21	3,005,322	2,895,291
Unrestricted funds	21	<u>1,219,729</u>	<u>1,119,234</u>
<b>Total reserves</b>		<u>4,225,051</u>	<u>4,014,525</u>

The foregoing balance sheet was approved by the Diocesan Council on 15 May 2024.

Signature: Alan McCann Clerical Honorary Secretary Rev Dr Alan McCann

Signature: T Lytle Lay Honorary Secretary Mr T Lytle OBE

## Notes to the financial statements for the year ended 31 December 2023

### 1. Statement of accounting policies

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015).

The principal accounting policies adopted are as follows:

#### Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

#### Resources expended

All items of expenditure are 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. All costs are allocated between the expenditure categories of the Statement of financial activities on a basis designed to reflect the use of the resource.

#### Fund accounting

Unrestricted funds are funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Diocese in accordance with the regulations that govern the Diocesan Council.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted by the funder to that area or purpose.

#### Investments

All income from investments is accounted for on an accrual's basis. Deposit interest receivable, expenses and interest payable are accounted for on an accrual's basis. Listed investments comprise those quoted on a Stock Exchange.

All investments have been valued at market value. The market value disclosed in Note 15 is based on the middle market prices ruling at the close of business on 31 December 2023. Any realised profits or losses, arising on fixed asset investments are taken directly to the capital reserve. Profits or losses are calculated on the average cost basis.

#### Depreciation of tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Computer equipment	25% reducing balance
Equipment	25% reducing balance

#### Pension costs

The Charity operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the expenditure in the period to which they relate. These contributions are invested separately from the Charity's assets.

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 1. Statement of accounting policies (cont'd)

#### Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Debtors

Trade and other debtors are recognised at the settlement amount due.

#### Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably; this is normally upon notification of the interest paid or payable by the bank.

#### Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The financial statements are prepared in sterling, with monetary amounts rounded to the nearest pound.

### 2. Charitable activities – Donations

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Project specific	8,816	550	-	9,366
Fund specific	2,576	-	7,911	10,487
Sundry	-	8,570	-	8,570
	<u>11,392</u>	<u>9,120</u>	<u>7,911</u>	<u>28,423</u>



## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 3. Charitable activities – Diocesan funding

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
General assessment	-	739,779	-	739,779
Cover duty	-	58,319	-	58,319
Registry fess	-	99	-	99
Rural Deans fees	-	18,568	-	18,568
Removal grants	-	9,929	3,680	13,609
Safeguarding	-	4,690	-	4,690
Sundry	-	600	1,543	2,143
	-	831,984	5,223	837,207

### 4. Charitable activities – Clerical costs

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Clergy Pension Fund	-	-	713,198	713,198
Stipends	-	-	247,312	247,312
Locomotory	-	-	35,634	35,634
Office Allowance	-	-	4,177	4,177
Clerical Employers NIC	-	-	27,604	27,604
Housing	-	-	15,632	15,632
	-	-	1,043,557	1,043,557

### 5. Charitable activities – External grants

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
CIYD Funding	8,735	-	-	8,735
RCB	-	19,866	-	19,866
Sundry Grants	3,000	-	-	3,000
	11,735	19,866	-	31,601

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 6. Charitable activities – Investment income

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Dividends received	9,770	5,964	38,539	54,273
Bank interest	22	-	9,380	9,402
Rents received	-	4,356	-	4,356
	<u>9,792</u>	<u>10,320</u>	<u>47,919</u>	<u>68,031</u>

### 7. Charitable activities – Other income

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Staff cost recouped	55,501	60,747	16,929	133,177
OLM course fees	-	-	240	240
Diocesan reader fees	-	1,448	-	1,448
Supply of resources	-	3,587	-	3,587
	<u>55,501</u>	<u>65,782</u>	<u>17,169</u>	<u>138,452</u>

### 8. Charitable - Central Church costs

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Episcopacy	-	-	146,152	146,152
Safeguarding	-	-	28,428	28,428
Priorities funding	-	70,784	-	70,784
Clergy & Ministry protection fund	-	-	12,540	12,540
	<u>-</u>	<u>70,784</u>	<u>187,120</u>	<u>257,904</u>

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 9. Charitable - Clerical costs

	Unrestricted funds		Restricted funds	Total
	Vision strategy fund	Other	Other	
	2023	2023	2023	2023
	£	£	£	£
Curate assistant grants	-	10,730	-	10,730
Clerical Situations	-	-	7,246	7,246
Bishops Ministry grant	-	-	3,000	3,000
Clergy Pension Fund	-	-	712,788	712,788
Stipend	-	-	293,309	293,309
Locomotory	-	-	38,434	38,434
Office allowance	-	-	4,548	4,548
Clerical employers NIC	-	-	30,264	30,264
Removal grants	-	7,341	5,520	12,861
Housing costs	-	-	25,200	25,200
	-	18,071	1,120,309	1,138,380

### 10. Charitable - Other costs

	Unrestricted funds		Restricted funds	Total
	Vision strategy fund	Other	Other	
	2023	2023	2023	2023
	£	£	£	£
CITI foundation course	-	1,314	-	1,314
CITI lay reader course	-	2,896	-	2,896
CITI CME course	-	3,319	-	3,319
Ordination expenses	1,258	-	-	1,258
Grant to support Ministry	-	-	3,082	3,082
Cover duty	-	58,332	-	58,332
Rural Deans fees	-	20,507	-	20,507
Registry fees	-	594	-	594
Glebe's secretary	-	99	-	99
Archdeacons	-	22,035	-	22,035
Director of Ordinands	-	1,079	-	1,079
Diocesan Curate	-	2,542	-	2,542
Rural Deans	-	3,773	-	3,773
Registrar	-	1,695	-	1,695
Warden of readers	-	1,052	-	1,052
Curate's children's allowance	-	2,147	-	2,147
Resources	9,194	-	-	9,194
Donations of services	480	-	-	480
Catering/entertaining/subsistence	4,276	-	-	4,276
Accommodation/venue	9,083	-	-	9,083
Travel	3,186	-	1,102	4,288
Miscellaneous expenses	503	-	-	503
Council for Mission grants	8,100	-	-	8,100
Grant to university chaplaincy	-	4,190	-	4,190
Diocese of Yei support	-	60	-	60
	36,078	125,635	4,184	165,897

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 11. Overheads -Staff costs

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Wages and salaries	155,622	127,016	30,415	313,053
Employers National Insurance	6,975	7,242	3,119	17,336
Employer's pension cost	-	27,369	-	27,369
Other staff costs	3,307	(461)	-	2,846
	<u>165,904</u>	<u>161,166</u>	<u>33,534</u>	<u>360,604</u>

There were no employees receiving employee benefits (excluding employer pension costs) of more than £60,000.

Senior Management of the Diocese consists of the Bishop, Archdeacons, Parish Development Officer, Trustees and the Finance and Administration Manager. The total employee benefit of the senior management in respect of those paid by the Diocese was £96,182 (2022: £96,969). There was an average of 9 employees in the period,

Senior Management pay is set by the Diocesan Council and reviewed annually.

### 12. Overheads - Administration charges

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Stationery and printing	248	3,160	-	3,408
Telephone	2,471	548	-	3,019
COI house costs	-	60,000	-	60,000
Rent and rates	9,136	669	-	9,805
Insurances	-	3,427	-	3,427
Heat and light	-	(59)	-	(59)
Payroll fees	-	3,060	-	3,060
Compliance costs	-	13,838	-	13,838
Maintenance and repairs	-	126	-	126
Sundry administration charges	1,475	328	(3,107)	(1,304)
	<u>13,330</u>	<u>85,097</u>	<u>(3,107)</u>	<u>95,320</u>

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 13. Overheads - Other costs

	Unrestricted funds		Restricted funds	
	Vision strategy fund	Other	Other	Total
	2023	2023	2023	2023
	£	£	£	£
Travel, accommodation and subsistence expenses	5,887	704	893	7,484
Advertising and marketing	669	-	-	669
Magazine costs	8,385	-	-	8,385
Web costs	545	-	-	545
Legal fees	-	11,136	-	11,136
Accountancy/Audit fees	-	4,200	-	4,200
HR expenses	-	674	-	674
Diocesan surveyor	-	27,949	-	27,949
Licence fees	-	12,599	-	12,599
Bank charges and fees	37	502	54	593
Bank interest	-	-	31	31
Leasing costs	-	1,332	-	1,332
Bad debt provided	-	61,269	-	61,269
Venue hire	-	762	350	1,112
Catering expenses	-	2,606	-	2,606
Misc Synod expenses	15	916	-	931
Ground rent	-	159	-	159
Valuation	-	240	-	240
	<u>15,512</u>	<u>125,048</u>	<u>1,328</u>	<u>141,888</u>

### 14. Tangible fixed assets

	Office equipment	Computer Software	Total
	£	£	£
<b>Cost</b>			
At 1 January 2023	15,000	18,878	33,878
Additions	3,552	-	3,552
<b>At 31 December 2023</b>	<u>18,552</u>	<u>18,878</u>	<u>37,430</u>
<b>Depreciation</b>			
At 1 January 2023	4,633	12,719	17,352
Charge for the year	2,759	1,927	4,686
Adjustment for previous period	1,233	(551)	682
<b>At 31 December 2023</b>	<u>8,625</u>	<u>14,095</u>	<u>22,720</u>
<b>Net book value</b>			
<b>At 31 December 2023</b>	<u>9,927</u>	<u>4,783</u>	<u>14,710</u>
At 31 December 2022	<u>10,367</u>	<u>6,159</u>	<u>16,526</u>

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 15. Investments

Opening Fund	Title of Trust	RCB Value	CIT Value	Total value	Total value
		2023	2023	2023	2022
		£	£	£	£
Belfast Additional Clergy Fund	Sundry	78,893	5,127	84,020	79,014
	Smyth JH	6,109	-	6,109	5,931
	Stewart JA	11,911	-	11,911	11,564
	Drew Memorial	149,982	63,292	213,274	206,101
Church extension	Sundry	-	26,692	26,692	25,509
	Rev G C Stevenson	-	17,933	17,933	17,139
Ordination bursary	Sundry	1,462	83,435	84,897	81,159
Endowment	Sundry	57,175	73,929	131,104	126,164
Episcopal support	Maintenance	-	111,419	111,419	106,485
	Episcopal	94,665	-	94,665	91,907
	Connor See House	144,322	-	144,322	144,321
Expenses	Sundry	-	1,609	1,609	1,538
Parish Support Fund	Sundry	33,702	43,302	77,004	74,104
	St Andrews Parish	40,811	-	40,811	39,622
	Clerical Income				
	Augmentation	3,801	1,088	4,889	4,730
Stipend	Sundry	856,875	79	856,954	831,978
Superannuation	Sundry	56,831	93,620	150,450	145,391
General	Sundry	-	57,817	57,817	55,256
	Hospital Chaplains				
	Residence	-	100	100	114,000
Youth	Lord Molyneaux	-	6,231	6,231	5,955
Diocesan generation	Sundry	-	243,338	243,338	232,561
General	Rolston Estate	55,967	-	55,967	54,336
<b>Total</b>		<b>1,592,505</b>	<b>829,011</b>	<b>2,421,516</b>	<b>2,454,765</b>

The investments held by the Representative Church Body (RCB) and the Church of Ireland Trustees (CIT) are either listed on a recognised Stock Exchange or invested in the RCB. unit trusts (N.I.). The market value is the quoted mid-price on the 31 December 2023. All CIT investments were folded into the new CIT Unit Trust on the 1<sup>st</sup> July 2012, the book cost for all holdings was uplifted to market value at that date.

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 16. Debtors

	2023 £	2022 £
Other debtors	575,622	440,830
Accrued Income	142,861	19,679
Provision for Doubtful Debts	(313,620)	(252,352)
	<u>404,863</u>	<u>208,157</u>

### 17. Cash and bank balances

	2023 £	2022 £
Balances held in Northern Ireland	249,381	526,363
Balances held in Dublin by RCB	318,395	296,896
	<u>567,776</u>	<u>823,259</u>

### 18. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank overdraft	2,627	4,800
Other creditors	49,320	176,688
Accruals	31,630	54,491
	<u>83,577</u>	<u>235,979</u>

### 19. Creditors: amounts falling due after one year

	2023 £	2022 £
Representative Church Body Grant	-	100,000

### 20. Reserves

	Capital reserve £	Revenue Reserve £	Total £
Net income/(expenditure)	-	(18,091)	(18,091)
Share of surplus/(deficit) in Joint Committee	-	151,966	151,966
Increase/(decrease) in market value of investments	76,651	-	76,651
	<u>76,651</u>	<u>133,875</u>	<u>210,526</u>
At 1 January 2023	2,454,767	1,559,759	4,014,525
At 31 December 2023	<u>2,421,518</u>	<u>1,803,532</u>	<u>4,225,051</u>

## Notes to the financial statements for the year ended 31 December 2023 (cont'd)

### 21. Analysis of net assets between funds

	Joint Committee £	Fixed assets £	Investments £	Current assets £	Total £
Unrestricted funds	249,763	14,710	494,584	460,672	1,219,729
Restricted funds	650,000	-	1,926,932	428,390	3,005,322
	<b>899,763</b>	<b>14,710</b>	<b>2,421,516</b>	<b>889,062</b>	<b>4,225,051</b>

The income of each of the unrestricted funds is available to the Diocesan Council to be used at its discretion in accordance with the diocesan regulations. The assets of those funds, however, normally consist of gifts and bequests specific to the fund and must be regarded as unavailable for revenue purposes.

### 22. Related party transactions

The Diocese has related parties of the Church of Ireland Trustees (CIT) and the various Trustees. No transactions occurred with related parties in 2023 or 2022.

### 23. Trustees remuneration and benefits

Expenses totalling £4,125 (2022: £5,027) for professional services were paid to seven of the Trustees during the year which had been incurred in carrying out their roles within the Diocese. These roles include Diocesan Registrar, Diocesan Director of Ordinands, Warden of Readers and Rural Deans.

The Diocese pays a Curate Children's Allowance grant, which is payable to curates who have children aged eleven and under, after an application has been made. During the year, payment totalling £678 (2022: £130) was made in respect of this grant to one of the Trustees.

### 24. Joint Committee

The Joint Committee assets are noted in these financial statements as an investment of the Diocese. The Joint Committee was formed by an act of General Synod in 1945 and has responsibility for the assets that are jointly owned by the Diocese of Down and Dromore and the Diocese of Connor at the time of their separation and continues with this today.

	2023 £	2022 £
Balance at 1 January 2023	847,797	815,580
Gain/(loss) in the year	51,966	32,217
<b>Balance at 31 December 2023</b>	<b>899,763</b>	<b>847,797</b>