

DIOCESE OF FERNS
CENTRAL FUND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2013

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

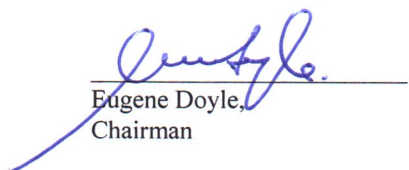
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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

APPROVAL OF FINANCIAL STATEMENTS

The attached financial statements of the Diocesan Central Fund in respect of the year ended 31st December 2013 are hereby approved on the recommendation of the Diocesan Finance Committee at its meeting of the 10th April 2014.



Eugene Doyle,
Chairman

Date: 10th April 2014

COMMITTEE MEMBERS:

Mr. Eugene Doyle, Chairman

Ms. Catherine O'Gara
Fr. Patrick Cushen
Fr. William Howell
Ms. Eleanor Furlong
Ms. Pauline O'Neill

Msgr. Joseph McGrath
Fr. James Fegan
Mr. John Murphy
Mr. Paddy Dore

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

ACCOUNTANT'S REPORT

In accordance with instructions given to me, I have prepared the attached financial statements of the Diocese of Ferns Central Fund for the year ended 31 December 2013, which comprise the Income & Expenditure Account, Appendices, Balance Sheet, and related notes. These financial statements have been prepared under the historical cost convention, and the accounting policies set out in note 1 to the financial statements.

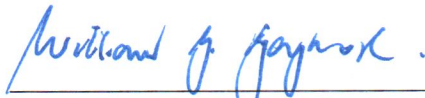
Respective responsibilities of the Diocese and Accountant

As described in note 2 the Diocese, through the Diocesan Finance Committee, is responsible for the maintaining of proper books and records. It is my responsibility to prepare the financial statements and to report whether they are in agreement with the books and records.

Report

The attached financial statements of the Diocesan Central Fund for the year ended 31st December 2013 are in agreement with the books records and related information furnished to me.

The financial statements have been prepared in accordance with the accounting policies and scope set out in notes 1 and 2.



WILLIAM G GAYNOR, FCA
CHARTERED ACCOUNTANT & REGISTERED AUDITOR
115 NORTH MAIN STREET
WEXFORD

Date: 11th April 2014

DIOCESE OF FERNS

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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

SUMMARY INCOME & EXPENDITURE ACCOUNT

	<u>Appendix</u>	<u>2013</u> €	<u>2012</u> €
<u>INCOME</u>	1	555,007	524,372
		-----	-----
<u>EXPENDITURE</u>			
Parish Support Costs	2	290,568	267,950
Other Support Costs	3	79,994	60,960
Administration Costs	4	209,847	224,138
		-----	-----
		580,409	553,048
		-----	-----
<u>DEFICIT FOR YEAR</u>		(25,402)	(28,676)
		=====	=====

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

APPENDIX 1: INCOME

	<u>2013</u> €	<u>2013</u> €	<u>2012</u> €
Parish Envelope Contributions		414,609	412,398
<u>Education Income:</u>			
Diocesan Collection	13,328		22,037
Donations & Legacies	15,071		-
St Joseph's Young Priests Soc	7,800		13,800
Investment Income	21,866		26,035
	-----	58,065	61,872
Catechetics, Parish Receipts		36,933	35,158
Conference Fees		5,630	3,674
Bishop's Contribution		10,000	10,000
Annual Directory		550	110
Miscellaneous Receipts		410	1,160
Donation		20,000	-
Prior Years' Adjustment, Credits		8,810	-
		-----	-----
		555,007	524,372
		=====	=====

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

APPENDIX 2: PARISH SUPPORT COSTS

	<u>2013</u>	<u>2012</u>
€	€	€
<u>Education & Formation:</u>		
Seminarians	86,908	79,783
Ongoing Education, Training & Support	2,500	1,982
Adult Education	-	-
	-----	-----
	89,408	81,765

Family Life Service	32,800	33,800
CURA	3,050	3,050
Regional Marriage Tribunal	39,690	40,500

<u>Catechetics:</u>		
Primary Level	17,500	16,037
Second Level/Diocesan Centre	32,070	32,070
	-----	-----
	49,570	48,107

<u>Pastoral Development:</u>		
Salaries & Expenses	18,001	10,840
<u>Pastoral Outreach:</u>		
Salaries & Expenses	52,049	45,768
Safeguarding - Audit	6,000	-
	-----	-----
	58,049	45,768

National Ploughing Championship	-	4,120
	-----	-----
	290,568	267,950
	=====	=====

APPENDIX 3: OTHER SUPPORT COSTS

	<u>2013</u>	<u>2012</u>
	€	€
National Bishops' Conference	56,510	56,850
Special Needs Support	3,811	3,810
Ecumenism	300	300
World Youth Day	1,328	-
Eucharistic Congress 2012, costs	18,045	-
	-----	-----
	79,994	60,960
	=====	=====

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

APPENDIX 4: ADMINISTRATION COSTS

	<u>2013</u>	<u>2012</u>
	€	€
Light & Heat	16,352	16,957
Security	2,146	986
Postage	5,798	5,470
Stationery & Printing	6,312	5,314
Telephone & Internet	6,287	6,139
Insurance	3,631	3,458
Salaries, Pensions & Training	88,147	114,783
Housekeeping & Hospitality costs	23,036	25,350
Building repairs & maintenance	12,273	8,156
Subscriptions, Library and Presentations	8,074	6,507
Audit and Accountancy Fees	8,609	8,179
Meetings, Travel, Subsistence	3,977	4,485
Legal Fees	861	369
St. Aidan's Trust costs	3,383	2,876
Miscellaneous Expenses	3,579	1,621
Computer & Website Expenses	7,709	4,705
Equipment lease & maintenance	3,861	4,538
Bank interest and charges	5,812	4,245
	-----	-----
	209,847	224,138
	=====	=====

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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

**SUPPLEMENTARY BUDGET,
EXPENSES FUNDED BY DIOCESE AND
FRIENDS OF FERNS**

	<u>2013</u>	<u>2012</u>
	<u>€</u>	<u>€</u>
<u>Income:</u> St Peter's Campus	60,000	60,000
Friends of Ferns	49,772	53,624
Other Receipts	310	2,000
	-----	-----
	110,082	115,624
	-----	-----
<u>Expenditure:</u> Towards Healing (2012, 2013)	136,891	-
Administrative Leave Payments	14,704	16,964
Bank Term Loan Interest	68,493	72,035
	-----	-----
	220,088	88,999
	-----	-----
Net (Deficit)/Surplus	(110,006)	26,625
	=====	=====

**STATEMENT OF MOVEMENT IN
RESERVES**

	<u>€</u>	<u>€</u>
Deficit from Income & Expenditure Account	(25,402)	(28,676)
(Deficit)/Surplus, Supplementary Budget	(110,006)	26,625
	-----	-----
<u>Operating Deficit</u>	(135,408)	(2,051)
Settlements & Legal Costs Paid & Provided	(630,773)	(95,832)
	-----	-----
<u>Deficit, to General Reserve</u>	(766,181)	(97,883)
General Reserve, Opening Balance	(1,984,068)	(1,886,185)
	-----	-----
<u>General Reserve, Closing Balance</u>	(2,750,249)	(1,984,068)
	=====	=====

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

BALANCE SHEET

	<u>Note</u>	<u>31/12/2013</u>	<u>31/12/2012</u>
		<u>€</u>	<u>€</u>
<u>TANGIBLE FIXED ASSETS:</u>			
Office equipment and fittings, cost		62,894	62,894
Accumulated depreciation		(62,894)	(62,894)
		-----	-----
Net book value		-	-
		-----	-----
<u>FINANCIAL ASSETS</u>			
Education Investments	3	1,222,958	1,176,095
		-----	-----
<u>CURRENT ASSETS</u>			
Debtors, falling due within one year	4	94,737	199,399
		-----	-----
<u>CURRENT LIABILITIES</u>			
Creditors, falling due within one year	5	(1,492,093)	(1,249,014)
		-----	-----
<u>NET CURRENT LIABILITIES</u>		(1,397,356)	(1,049,615)
<u>CREDITORS, not falling due within one year</u>	6	(1,934,431)	(1,532,898)
		-----	-----
<u>TOTAL NET LIABILITIES</u>		(2,108,829)	(1,406,418)
		=====	=====
<u>REPRESENTED BY:</u>		<u>€</u>	<u>€</u>
General Reserve		(2,750,249)	(1,984,068)
St Peters Seminary Reserve	9	577,650	577,650
Education Bequest M Donoghue		63,770	-
		-----	-----
		(2,108,829)	(1,406,418)
		=====	=====

YEAR ENDED 31 DECEMBER 2013

NOTES ON AND FORMING PART OF THE FINANCIAL STATEMENTS**1 ACCOUNTING POLICIES**

- The financial statements are prepared under the historical cost convention.
- Depreciation is calculated on capitalised office equipment to reduce to net realisable value at the end of its expected useful life, at 20% p.a. straight line basis.
- These financial statements are denominated in Euro (€).

2 SCOPE AND RESPONSIBILITY

The Central Fund accounts encompass the payments from parishes to the Diocese from the envelope collection, together with income from collections and investments allocated towards the education of priests, seminarians and laity, and other minor sources of income. The income of the Central Fund is used to fund the various programmes and services provided by the Diocese, and for administration and establishment costs.

With effect from the 1st January 2010 the Central Fund accounts also incorporate the accumulated costs of child sex abuse settlements, expenses, and costs associated with the Government inquiries. These were previously financed by a number of bank loans, now consolidated into a single term loan facility as detailed in note number 7. Ongoing costs are dealt with through the supplementary budget, as set out in Appendix 5 of the financial statements.

The cost/values of properties held by the Diocese are not reflected as assets in these accounts. These properties consist of:

- Bishop's House, Summerhill, Wexford
- St Peter's Campus, Summerhill, Wexford
- Playing Fields, Coolcotts, Wexford
- c.14 acres agricultural land, Drinagh, Wexford

The Diocese is responsible, through the Diocesan Finance Committee for maintaining proper books of account, and for ensuring the preparation of annual accounts, which present fairly the state of affairs of the Central Fund, and of its income and expenditure for that year.

In preparing these statements the Committee is required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Central Fund will continue in operation.

3 EDUCATION INVESTMENT FUNDS

	<u>2013</u>	<u>2012</u>
	€	€
Capital funds of the former Seminary	910,479	948,470
Education Investment	248,071	260,277
Education Bequest, M Donoghue	64,408	-
	-----	-----
	1,222,958	1,208,747
	=====	=====

In accordance with the original terms of settlement, the foregoing investments are held for the education of priests and seminarians. Any income derived is appropriated for this purpose, and is credited under Appendix 1 in the detailed Income & Expenditure Account.

YEAR ENDED 31 DECEMBER 2013

NOTES ON AND FORMING PART OF THE FINANCIAL STATEMENTS, continued4 **DEBTORS**, falling due within one year:

	<u>2013</u>	<u>2012</u>
	€	€
Parish envelope contributions	39,130	34,745
Other debtors and prepaid expenses	55,607	36,277
Amounts due from Investment Fund	-	128,377
	-----	-----
	94,737	199,399
	=====	=====

5 **CREDITORS**, falling due within one year:

	<u>2013</u>	<u>2012</u>
	€	€
Creditors and accrued expenses	140,472	70,290
“Towards Healing” accrual	111,891	-
Parish loan	40,000	40,000
Investment Fund loan	546,212	486,212
Other short term funds held	182,669	245,116
Bank overdraft	303,225	232,908
Bank term loan, AIB	32,498	39,362
Bank term loan, Bank of Ireland	135,126	135,126
	-----	-----
	1,492,093	1,249,014
	=====	=====

Short term funds held represent amounts lodged to Diocesan accounts for onward payment to other Church agencies and bodies.

Only that portion of bank loans repayable within twelve months of the balance sheet date is included as a current liability.

6 **CREDITORS**, not falling due within one year:

	<u>2013</u>	<u>2012</u>
	€	€
Bank term loan, AIB	-	31,909
Bank Term loan, Bank of Ireland	1,434,431	1,500,989
Provision for future settlements, including legal costs	500,000	-
	-----	-----
	1,934,431	1,532,898
	=====	=====

7 **BANK TERM LOAN**

The term loan facility advanced by Bank of Ireland in respect of consolidated liabilities incurred in prior years is secured by a fixed charge on Bishop’s House, Summerhill, Wexford, to a maximum amount of €1.804,000.

YEAR ENDED 31 DECEMBER 2013

NOTES ON AND FORMING PART OF THE FINANCIAL STATEMENTS, continued**8 ST PETERS SEMINARY RESERVE**

	<u>2013</u> €	<u>2012</u> €
Balance at January 1	577,650	577,650
Balance at December 31	----- 577,650 =====	----- 577,650 =====

This represents the net asset position of the investment and loan balances incorporated into the Diocesan accounts with effect from 31 December 2001, following closure of the seminary.

9 TOWARDS HEALING

In 2012 the cost for the provision of counselling services to victims of clerical sex abuse changed from Faoiseamh to a new organisation, “Towards Healing”, established jointly by the Bishops’ Conference and CORI. A portion of the cost of these services to the Diocese during 2012 has been met from the Stewardship Trust of the Irish Hierarchy. The balance has been provided for in these financial statements.

10 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Diocesan Finance Officer, on the recommendation of the Diocesan Finance Committee, on the 10th April 2014.