

DIOCESE OF FERNS
CENTRAL FUND FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2014

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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

APPROVAL OF FINANCIAL STATEMENTS

The attached financial statements of the Diocesan Central Fund in respect of the year ended 31st December 2014 are hereby approved on the recommendation of the Diocesan Finance Committee at its meeting of the 16th April 2015.



Eugene Doyle,
Chairman

Date: 16th April 2015

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 2014

SUMMARY INCOME & EXPENDITURE ACCOUNT

	<u>Appendix</u>	<u>2014</u> €	<u>2013</u> €
<u>INCOME</u>	1	568,884	555,007
		-----	-----
<u>EXPENDITURE</u>			
Parish Support Costs	2	297,663	290,568
Other Support Costs	3	72,018	79,994
Administration Costs	4	181,562	209,847
Prior Year Adjustment		13,482	-
		-----	-----
		564,725	580,409
		-----	-----
<u>SURPLUS/(DEFICIT) FOR</u>		4,159	(25,402)
<u>YEAR</u>			
		=====	=====

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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

APPENDIX 1: INCOME

	<u>2014</u>	<u>2014</u>	<u>2013</u>
	€	€	€
Parish Envelope Contributions		422,939	414,609

<u>Education Income:</u>			
Diocesan Collection	20,355		13,328
Donations & Legacies	7,232		15,071
St Joseph's Young Priests Soc	11,100		7,800
Investment Income	11,130		21,866
	-----		-----
		49,817	58,065

Catechetics, Parish Receipts		36,477	36,933
Conference Fees (Net)		3,752	5,630
Bishop's Contribution		10,000	10,000
Annual Directory		1,150	550
Miscellaneous Receipts		480	410
Donations		34,795	20,000
Pastoral Outreach Income		3,311	-
Charities Act - Income	77,460		
- Expenditure	(71,297)		

		6,163	-
Prior Years' Adjustment, Credits		-	8,810
		-----	-----
		568,884	555,007
		=====	=====

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

APPENDIX 2: PARISH SUPPORT COSTS

	<u>2014</u>	<u>2013</u>
€	€	€
<u>Education & Formation:</u>		
Seminarians	97,935	86,908
Ongoing Education, Training & Support	-	2,500
	-----	-----
	97,935	89,408
Family Life Service	33,800	32,800
CURA	3,050	3,050
Regional Marriage Tribunal	31,914	39,690
	-----	-----
<u>Catechetics:</u>		
Primary Level	17,500	17,500
Second Level/Diocesan Centre	32,070	32,070
	-----	-----
	49,570	49,570
	-----	-----
<u>Pastoral Development:</u>		
Salaries & Office Expenses	18,733	18,001
	-----	-----
<u>Pastoral Outreach:</u>		
Salaries & Expenses	62,661	52,049
Safeguarding - Audit	-	6,000
	-----	-----
	62,661	58,049
	-----	-----
	297,663	290,568
	=====	=====

APPENDIX 3: OTHER SUPPORT COSTS

	<u>2014</u>	<u>2013</u>
	€	€
National Bishops' Conference	67,907	56,510
Special Needs Support	3,811	3,811
Ecumenism	300	300
World Youth Day	-	1,328
Eucharistic Congress 2013, costs	-	18,045
	-----	-----
	72,018	79,994
	=====	=====

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

APPENDIX 4: ADMINISTRATION COSTS

	<u>2014</u>	<u>2013</u>
	<u>€</u>	<u>€</u>
Light & Heat	16,993	16,352
Security	2,209	2,146
Postage	6,223	5,798
Stationery & Printing	4,526	6,312
Telephone & Internet	5,682	6,287
Insurance	3,631	3,631
Salaries, Pensions & Training	67,102	88,147
Housekeeping & Hospitality costs	22,970	23,036
Building repairs & maintenance	13,535	12,273
Subscriptions, Library and Presentations	5,651	8,074
Accountancy Fees	2,153	8,609
Meetings, Travel, Subsistence	7,475	3,977
Legal Fees	600	861
St. Aidan's Trust costs	3,214	3,383
Miscellaneous Expenses	5,190	3,579
Computer & Website Expenses	7,251	7,709
Equipment lease & maintenance	4,123	3,861
Bank interest and charges	3,034	5,812
	-----	-----
	181,562	209,847
	=====	=====

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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

SUPPLEMENTARY BUDGET, EXPENSES FUNDED BY DIOCESE AND FRIENDS OF FERNS

	<u>2014</u>	<u>2013</u>
	<u>€</u>	<u>€</u>
<u>Income:</u> St Peter's Campus	60,000	60,000
Friends of Ferns	48,723	49,772
Other Receipts	-	310
	<u>108,723</u>	<u>110,082</u>
 <u>Expenditure:</u> Towards Healing	 54,900	 136,891
Administrative Leave Payments	14,854	14,704
Bank Term Loan Interest	62,095	68,493
	<u>131,849</u>	<u>220,088</u>
 <u>Net Deficit</u>	 <u>(23,126)</u>	 <u>(110,006)</u>

STATEMENT OF MOVEMENT IN RESERVES

	<u>€</u>	<u>€</u>
Surplus/(Deficit) from Income & Expenditure Account	4,159	(25,402)
Deficit, Supplementary Budget	(23,126)	(110,006)
<u>Operating Deficit</u>	<u>(18,967)</u>	<u>(135,408)</u>
Settlements & Legal Costs Paid & Provided	(4,148)	(630,773)
 <u>Deficit, to General Reserve</u>	 <u>(23,115)</u>	 <u>(766,181)</u>
General Reserve, Opening Balance	(2,750,249)	(1,984,068)
 <u>General Reserve, Closing Balance</u>	 <u>(2,773,364)</u>	 <u>(2,750,249)</u>

CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

BALANCE SHEET

	<u>Note</u>	<u>31/12/2014</u>	<u>31/12/2013</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>			
Diocesan Investment Funds	3	591,124	1,222,958
		-----	-----
<u>CURRENT ASSETS</u>			
Debtors, falling due within one year	4	142,857	94,737
Cash at Bank and on Hand		30,008	-
		-----	-----
		172,865	94,737
		-----	-----
<u>CURRENT LIABILITIES</u>			
Creditors, falling due within one year	5	(952,350)	(1,492,093)
		-----	-----
<u>NET CURRENT LIABILITIES</u>			
		(779,485)	(1,397,356)
<u>CREDITORS, not falling due within one year</u>			
	6	(1,841,788)	(1,934,431)
		-----	-----
<u>TOTAL NET LIABILITIES</u>			
		(2,030,149)	(2,108,829)
		=====	=====
<u>REPRESENTED BY:</u>			
		<u>€</u>	<u>€</u>
General Reserve		(2,773,364)	(2,750,249)
Education Funds Reserve	9	743,215	641,420
		-----	-----
		(2,030,149)	(2,108,829)
		=====	=====

YEAR ENDED 31 DECEMBER 2014

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 (sold 2014)

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 DIOCESAN INVESTMENT FUND

	<u>2014</u>	<u>2013</u>
	€	€
Capital funds of the former Seminary	499,338	910,479
Education Investment	-	248,071
Education Bequest, M Donoghue	65,052	64,408
Unallocated Funds	26,734	-
	<u>591,124</u>	<u>1,222,958</u>

YEAR ENDED 31 DECEMBER 2014

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

	<u>2014</u>	<u>2013</u>
	€	€
Parish contributions	71,416	39,130
Other debtors and prepaid expenses	71,441	55,607
	<u>142,857</u>	<u>94,737</u>

5 CREDITORS, falling due within one year:

	<u>2014</u>	<u>2013</u>
	€	€
Creditors and accrued expenses	167,581	140,472
“Towards Healing” accrual	141,791	111,891
Parish loan	40,000	40,000
Investment Fund loan	-	546,212
Other short term funds held	179,665	182,669
Bank overdraft	286,709	303,225
Bank term loan, AIB	-	32,498
Bank term loan, Bank of Ireland	136,604	135,126
	<u>952,350</u>	<u>1,492,093</u>

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>2014</u>	<u>2013</u>
	€	€
Bank Term loan, Bank of Ireland	1,360,665	1,434,431
Provision for future settlements, including legal costs	481,123	500,000
	<u>1,841,788</u>	<u>1,934,431</u>

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

YEAR ENDED 31 DECEMBER 2014

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

	<u>2014</u> €	<u>2013</u> €
Balance at January 1	641,420	641,420
Disposal of former Seminary lands	101,795	-
	-----	-----
Balance at December 31	743,215	641,420
	=====	=====

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 16th April 2015.