

**DIOCESE OF FERNS**  
**CENTRAL FUND FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>st</sup> DECEMBER 2019**

**CENTRAL FUND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

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**APPROVAL OF FINANCIAL STATEMENTS**

The attached financial statements of the Diocesan Central Fund in respect of the year ended 31<sup>st</sup> December 2019 are hereby approved on the recommendation of the Diocesan Finance Committee at its meeting of the 30<sup>th</sup> July 2020.

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Eugene Doyle,  
Chairman

30<sup>th</sup> July 2020

Date: \_\_\_\_\_

**COMMITTEE MEMBERS:**

Mr. Eugene Doyle, Chairman

Ms. Annette McCarthy  
Fr. Patrick Cushen  
Fr. Thomas Dalton  
Ms. Eleanor Furlong  
Ms. Pauline O'Neill

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

## CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

SUMMARY INCOME & EXPENDITURE ACCOUNT

	<u>Appendix</u>	<u>2019</u> €	<u>2018</u> €	<u>2017</u> €
<b><u>INCOME</u></b>	1	605,183	579,645	583,598
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<b><u>EXPENDITURE</u></b>				
Parish Support Costs	2	195,913	218,812	240,616
Other Support Costs	3	87,414	90,331	81,325
Administration Costs	4	225,004	225,797	245,133
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		508,331	534,940	567,074
		-----	-----	-----
<b><u>OPERATING SURPLUS FOR YEAR</u></b>		96,852	44,705	16,524
Supplementary Budget – surplus	5	47,337	33,465	86,507
Settlements and Legal Costs		(5,990)	(2,743)	-
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<b><u>SURPLUS, TO RESERVES</u></b>		138,199	75,427	103,031
		=====	=====	=====

## DIOCESE OF FERNS

## CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

APPENDIX 1: INCOME

	<u>2019</u> €	<u>2019</u> €	<u>2018</u> €	<u>2018</u> €
Parish Envelope Contributions		414,313		415,634
<u>Education Income:</u>				
Diocesan Collection	9,845		35,098	
Donations & Legacies	-		-	
St Joseph's Young Priests Soc	3,000		3,000	
Investment Income	695		898	
	-----		-----	
		13,540		38,996
Catechetics, Parish Receipts		38,998		39,574
Conference Fees (Net)		2,642		4,205
Bishop's Contribution		10,000		10,000
Annual Directory		700		1,000
Miscellaneous Receipts		763		3,719
Donations/Bequests		62,223		16,877
Safeguarding Income		1,009		140
Charities Act – Income	47,030		43,515	
- Expenditure	(36,035)		(44,015)	
	-----		-----	
		10,995		(500)
Investment Fund Management Fee		50,000		50,000
		-----		-----
		605,183		579,645
		=====		=====

## CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

**APPENDIX 2: PARISH SUPPORT COSTS**

	<u>2019</u> €	<u>2019</u> €	<u>2018</u> €	<u>2018</u> €
<u>Education &amp; Formation:</u>				
Seminarians	32,988		28,064	
Laity Education	2,084		2,187	
Sabbaticals, Ongoing Education	-		3,334	
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		35,072		33,585
Priest Supports		12,076		14,149
Family Life Service		33,800		33,800
Regional Marriage Tribunal		15,456		19,320
<u>Catechetics:</u>				
Primary Level	18,283		17,822	
Second Level/Diocesan Centre	18,489		26,734	
	-----		-----	
		36,772		44,556
<u>Pastoral Development:</u>				
Salaries & Office Expenses		17,509		17,442
<u>Pastoral Outreach/Safeguarding:</u>				
Salaries & Expenses		45,228		55,960
		-----		-----
		195,913		218,812
		=====		==+=====

**APPENDIX 3: OTHER SUPPORT COSTS**

	<u>2019</u> €	<u>2018</u> €
National Bishops' Conference	73,261	73,926
CURA	-	12,294
Special Needs Support	3,811	3,811
Ecumenism	-	300
World Meeting of Families	10,342	-
	-----	-----
	87,414	90,331
	=====	=====

## CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

**APPENDIX 4: ADMINISTRATION COSTS**

	<u>2019</u>	<u>2018</u>
	<u>€</u>	<u>€</u>
Light & Heat	12,680	13,809
Security	1,702	1,805
Postage	7,502	9,046
Stationery & Printing	2,073	3,138
Telephone & Internet	5,169	4,924
Insurance	3,791	3,631
Rates & Service Charges	1,680	2,717
Salaries, Pensions & Training	89,611	77,914
Housekeeping & Hospitality costs	19,678	18,345
Building repairs & maintenance	17,441	26,440
Subscriptions, Library and Presentations	11,926	6,368
Accountancy	5,435	5,430
Audit Fees	3,075	6,150
Data Protection Compliance	19,645	6,960
Meetings, Travel, Subsistence	4,352	8,866
Legal Fees	-	2,041
St. Aidan's Trust costs	1,471	1,014
Promotion Costs	1,600	8,103
Miscellaneous Expenses	1,883	1,911
Computer & Website Expenses	7,356	11,840
Equipment lease & maintenance	1,347	2,092
Bank interest and charges	5,587	3,253
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	225,004	225,797
	=====	=====

DIOCESE OF FERNS

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CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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

	<u>2019</u>	<u>2018</u>
	€	€
<u>Income:</u> St Peter's Campus	60,000	60,000
Friends of Ferns	35,080	29,690
	-----	-----
	95,080	89,690
	-----	-----
 <u>Expenditure:</u> Towards Healing	11,328	10,641
Bank Term Loan Interest	36,415	45,584
	-----	-----
	47,743	56,225
	-----	-----
 <u>Net Surplus</u>	47,337	33,465
	=====	=====

**STATEMENT OF MOVEMENT IN  
RESERVES**

	€	€
Surplus from Income & Expenditure Account	96,852	44,705
Surplus, Supplementary Budget	47,337	33,465
	-----	-----
<u>Operating Surplus</u>	144,189	78,170
Settlements & Legal Costs Paid & Provided	(5,990)	(2,743)
	-----	-----
 <u>Surplus, to Reserves</u>	138,199	75,427
Reserves, Opening Balance (Deficit)	(1,647,552)	(1,722,979)
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 <u>Reserves, Closing Balance (Deficit)</u>	(1,509,353)	(1,647,552)
	=====	=====

## CENTRAL FUND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

**BALANCE SHEET**

	<u>Note</u>	<u>31/12/2019</u> <u>€</u>	<u>31/12/2018</u> <u>€</u>
<b><u>TANGIBLE FIXED ASSETS</u></b>	3	-	-
<b><u>FINANCIAL ASSETS</u></b>			
Diocesan Investment Funds	3	200,404	326,711
		-----	-----
<b><u>CURRENT ASSETS</u></b>			
Debtors, falling due within one year	4	156,194	88,309
Cash at Bank and on Hand		53,064	54,086
		-----	-----
		209,258	142,395
		-----	-----
<b><u>CURRENT LIABILITIES</u></b>			
Creditors, falling due within one year	5	(634,778)	(733,547)
		-----	-----
<b><u>NET CURRENT LIABILITIES</u></b>		(425,520)	(591,152)
<b><u>CREDITORS, not falling due within one year</u></b>	6	(1,284,237)	(1,383,111)
		-----	-----
<b><u>TOTAL NET LIABILITIES</u></b>		(1,509,353)	(1,647,552)
		=====	=====
<b><u>REPRESENTED BY:</u></b>		<u>€</u>	<u>€</u>
General Reserve, Deficit		(1,509,353)	(1,647,552)
		=====	=====



YEAR ENDED 31 DECEMBER 2019

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

- The financial statements are prepared under the historical cost convention.
- These financial statements are denominated in Euro (€).

**TANGIBLE FIXED ASSETS & DEPRECIATION**

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and Buildings, freehold - 2% straight line

- (i) Freehold Land, is valued at fair value based on the current use value of the land as the Charity is in the not for profit sector. There are no land or buildings held for investment.
- (ii) Freehold buildings: functional buildings (i.e. that are for the purpose of the charity and are still in use). The original cost of buildings was not available, therefore the Charity has based its accounting policy on the insurance value of these assets as at 31<sup>st</sup> December 2015 which was then discounted back to the year of acquisition or construction using the consumer price index (the CPI was benchmarked at the earliest date available 1922) to arrive at the estimate of the acquisition cost. The acquisition cost was then depreciated over the buildings' useful life to arrive at its current net book value.
- (iii) Office equipment, fixtures and fittings and computer equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Office equipment, fixtures and fittings and computer equipment costing over €5,000 are capitalized and depreciated in accordance with the policy set out below.

**Depreciation**

Land is not depreciated. Depreciation of other fixed assets is calculated using the straight line method over their estimated useful lives, as follows:

Freehold Buildings	50 years (2%)
Office equipment, fixtures and fittings	5 years (20%)
Computer equipment	3 years (33.3%)

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each financial year.

## 2 SCOPE AND RESPONSIBILITY

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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 1<sup>st</sup> 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 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. TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>Freehold Land &amp; Buildings</u>	<u>Office Equipment, fixtures, etc</u>	<u>Total</u>
	€	€	€
Balance January 1 2019	49,684	62,894	112,578
	-----	-----	-----
Balance December 31 2019	49,684	62,894	112,578
	-----	-----	-----
<u>Depreciation</u>			
Balance January 1 2019	49,684	62,894	112,578
	-----	-----	-----
Balance December 31 2019	49,684	62,894	112,578
	-----	-----	-----
<u>Net Book Value</u>			
At December 31 2019	-	-	-
	=====	=====	=====
At December 31 2018	-	-	-
	=====	=====	=====

## 3 DIOCESAN INVESTMENT FUND

	<u>2019</u>	<u>2018</u>
	€	€
Capital funds of the former Seminary	133,924	233,444
Education Bequest, M Donoghue	66,363	66,197
Unallocated Funds	117	27,070
	-----	-----
	200,404	326,711
	=====	=====

Income derived from the foregoing investments is credited under Appendix 1 in the detailed Income & Expenditure Account.

YEAR ENDED 31 DECEMBER 2019

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

	<u>2019</u>	<u>2018</u>
	€	€
Parish contributions	57,749	55,399
Other debtors and prepaid expenses	98,445	32,910
	-----	-----
	156,194	88,309
	=====	=====

5 CREDITORS, falling due within one year:

	<u>2019</u>	<u>2018</u>
	€	€
Creditors and accrued expenses	177,393	170,778
Parish loan	40,000	40,000
Other loans	32,353	34,850
Other short term funds held	94,585	139,042
Bank overdraft	153,843	212,273
Bank term loan, Bank of Ireland	136,604	136,604
	-----	-----
	634,778	733,547
	=====	=====

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>2019</u>	<u>2018</u>
	€	€
Bank Term loan, Bank of Ireland	924,237	1,023,111
Provision for future settlements, including legal costs	360,000	360,000
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	1,284,237	1,383,111
	=====	=====

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.