



# Diocese of Cork & Ross

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**Summary of the Financial Report**

**for the year ended 31<sup>st</sup> December 2016**

[www.corkandross.org](http://www.corkandross.org)

## Cork & Ross Diocesan Accounts

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The Diocese of Cork & Ross administers funds as part of its pastoral mission. The Funds which are provided by the faithful of the Diocese and elsewhere are in the trust of the Bishop of Cork and Ross. Annual Accounts are prepared by Declan O'Connell FCA, Financial Administrator. These accounts are independently audited by PricewaterhouseCoopers.

### **Extracts from Audited Financial Statements**

The following statement of financial activities and balance sheet has been extracted from the financial statements for the year ended 31<sup>st</sup> December 2016 which have been audited by PricewaterhouseCoopers.

## Cork & Ross Diocesan Accounts

Comparative overview of the income and expenditure of diocesan funds for 2016 (Extracted from the audited financial statements)

<b>Statement of Financial Activities</b>				
<b>Year ended 31 December 2016</b>				
	Restricted Funds €000's	Unrestricted Funds €000's	Year Ended 31/12/2016 €000's	Year Ended 31/12/2015 €000's
<b>Incoming Resources</b>				
Church Collections, Donations & Bequests	543	131	674	695
Contributions from Parishes & other Dioceses	378	938	1,316	1,267
Contributions from Priests	1,033	0	1,033	96
Investment Income	108	59	167	179
Other Income	126	605	731	655
	2,188	1,733	3,921	2,892
<b>Resources Expended</b>				
Central Services	152	1,085	1,237	1,123
Pastoral Services	85	185	270	328
Assistance to Diocesan Activities and Beneficiaries of Funds	455	403	858	669
Payments to Sick & Retired Priests	932	0	932	611
Reduction in legal provision	0	(108)	(108)	0
	1,624	1,565	3,189	2,731
<b>Surplus /(deficit) for year on ordinary activities</b>	564	168	732	161
Realised and unrealised gain on Investments	21	(18)	3	629
<b>Surplus/(deficit) for year</b>	585	150	735	790

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### Balance Sheet at 31st December 2016

(Extracted from the audited financial statements)

	<b>31-Dec-16</b>	<b>31-Dec-15</b>
	<b>€000's</b>	<b>€000's</b>
<b>Fixed Assets</b>		
Tangible Assets- Properties	7,954	8,110
Development Expenditure	3,215	2,741
Investments	8,715	9,067
<b>Total Fixed Assets</b>	19,884	19,918
 <b>Current Assets</b>		
Bank Balances	1,530	965
Receivables & Prepayments	945	923
Payables & Provisions	(712)	(768)
Loan	(1,439)	(1,565)
<b>Net Current Assets</b>	324	(445)
<b>Total Assets</b>	20,208	19,473
 <b>Represented by:</b>		
<b>Fund Balances</b>		
Restricted Funds:	8,397	7,812
Unrestricted Funds:	11,811	11,661
	20,208	19,473

### **Other Financial Information**

As in previous years, the Diocese has six groups of funds which are accounted for separately and reflect particular purposes for which they were established. The funds which are explained below have been classified between restricted and unrestricted.

### **Fund Headings**

#### **Specific Funds (restricted):**

This is a group of separate accounts which serve specific charitable purposes, according to the intention of the donor or initiated by the Bishop for a specific reason. Each account is used for the purpose for which it is intended. Annual and once off special collections are part of this fund.

#### **Mission Funds (restricted):**

The Diocese of Cork & Ross took pastoral responsibility for missions in Trujillo, Peru in the 1960's and for parishes in Manta, Ecuador in 1993. Funds were set up by the Diocese to fund these missions. Income is received from mission boxes in the churches, donations, bequests and fundraising by individuals and groups, as well as bank interest. Ongoing financial support is provided to the parishes of Manta and Trujillo and the Mercy & Bon Secours Sisters in Peru.

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### **Priests' Funds (restricted):**

The clergy of the Diocese contribute annually to a Benevolent Fund which provides a stipend for priests who are retired, ill or unable to derive a stipend otherwise. An annual parish levy, (presently 8% of ordinary income from collections) also contributes to the fund. The fund also pays nursing home costs for priests. In 2016 the Cork & Ross Priests' Fraternity Fund was included as part of the Priests' Funds for the first time. This is an income equalisation fund operated by the priests of the Diocese.

### **Priesthood Education Fund (restricted):**

The annual collection for the education of seminarians is part of these funds. Donations and bequests for the education of priests are held in this fund. It also finances the cost of postgraduate study for priests of the Diocese.

### **Central Fund (unrestricted):**

The central fund of the Diocese supports the centralised activities of the diocese, including providing personnel and running costs for the Cork & Ross Diocesan Office, Redemption Road (Bishops Office, Education Offices, Communications Office, Child Protection and Archives); The Cork & Ross Family Centre, 34 Paul Street; The Cork Regional Marriage Tribunal, The Lough; and the Office for Parish Pastoral Development. These funds are principally financed by contributions from the parishes, contributions from other Munster dioceses for the services of the Marriage Tribunal, from income on investments and donations, and bequests by the faithful.

### **General Fund (unrestricted):**

The general fund includes rental income from a diocesan property, and the associated costs of that property. It also includes charitable funds which have been contributed for charitable and pastoral needs for disbursement at the discretion of the Bishop.

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Fund Movements	Specific Funds €000's	Mission Funds €000's	Priests Funds €000's	Priesthood Educ. Fund €000's	Central Fund €000's	General Funds €000's	2016 Total €000's	2015 Total €000's
<b>Opening Balance 01/01/2016</b>	1,923	727	4,394	768	689	10,972	19,473	18,683
Church Collections	370	0	0	70	56	0	496	457
Donations & Bequests	0	6	65	32	55	20	178	238
Contributions from other Dioceses	0	0	0	0	173	0	173	157
Contributions from Parishes	0	0	378	0	538	0	916	860
Diocesan second collection	0	0	0	0	227	0	227	250
Contribution from Priests	0	0	1,033	0	0	0	1,033	96
Investment Income	29	5	50	24	12	47	167	179
Sale of property levy	0	0	0	0	326	0	326	6
Other Income	125	0	1	0	58	221	405	649
<b>Total Incoming Resources</b>	<b>524</b>	<b>11</b>	<b>1,527</b>	<b>126</b>	<b>1,445</b>	<b>288</b>	<b>3,921</b>	<b>2,892</b>
Assistance to other Diocesan Activities and beneficiaries of Funds	377	78	0	0	277	126	858	(669)
Pastoral Services	85	0	0	0	185	0	270	(328)
Payments to sick & retired priests	0	0	932	0	0	0	932	(611)
Reduction in legal provision	0	0	0	0	(108)	0	(108)	0
Central Services	8	0	32	112	787	298	1,237	(1,123)
<b>Total Resources Expended</b>	<b>470</b>	<b>78</b>	<b>964</b>	<b>112</b>	<b>1,141</b>	<b>424</b>	<b>3,189</b>	<b>(2,731)</b>
<b>Surplus / Deficit</b>	<b>54</b>	<b>(67)</b>	<b>563</b>	<b>14</b>	<b>304</b>	<b>(136)</b>	<b>732</b>	<b>161</b>
Gain/(Loss) on Investments	(22)	2	30	11	3	(21)	3	629
<b>Total Deficit / Surplus for the period</b>	<b>32</b>	<b>(65)</b>	<b>593</b>	<b>25</b>	<b>307</b>	<b>(157)</b>	<b>735</b>	<b>790</b>
<b>Closing balance at 31st December 2016</b>	1,955	662	4,987	793	996	10,815	20,208	19,473

## Cork & Ross Diocesan Accounts

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### *Observations & Notes*

The summary financial information presented in the previous pages provides an overview of the finances of the Diocese for the year ended 31 December 2016. There are number of points that should be noted:

- The Diocesan Accounts are prepared on the accruals basis.
- The Diocese accounts for all properties owned by the Diocese. Buildings have been depreciated by reference to estimated useful lives of 40 years. The land element of properties is not depreciated. Provision for diminution in value is created where there are indicators of a reduction in the carrying value of the asset.
- Funds are classified as either restricted or unrestricted in accordance with the guidelines for accounting by charities.



## Cork & Ross Diocesan Accounts

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- In the 2016 accounts, income, expenditure, and fund balances relating to the Cork & Ross Priests' Fraternity Fund have been included in the Diocesan financial statements for the first time. This has led to increases in contributions from priests and payments to sick and retired priests in the accounts compared to previous years.
- The surplus for the year ended 31<sup>st</sup> December 2016 amounted to €735K (2015:€790K). This surplus includes a gain from the sale of properties and accumulated income from the Fraternity Fund as noted above. A gain of €3K (2015: €629K) on investments was also included.
- The total assets of the Diocese at 31<sup>st</sup> December 2016 amounted to €22.4 million (2015: €21.8 million). Properties valued at €11.1 million (2015: €10.8 million) are included in this figure. The remaining assets consist of Investments, Bank Balances & Receivables.
- The total liabilities of the Diocese at 31<sup>st</sup> December 2016 amounted to €2.15 million (2015: €2.33 million). These consist of bank overdrafts, loans and amounts due to third parties.
- The net assets of the Diocese at 31<sup>st</sup> December 2016 are comprised of restricted and unrestricted funds amounting to €8.4million (2015:€7.8 million) and €11.8 million (2015: €11.7 million) respectively.