



Diocese of Cork & Ross

Summary of the Financial Report

for the year ended 31st December 2010

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Cork & Ross Diocesan Accounts

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 31st December 2010 which have been audited by PricewaterhouseCoopers.

Cork & Ross Diocesan Accounts

Comparative overview of the income and expenditure of diocesan funds for 2010 (Extracted from the audited financial statements)

Statement of Financial Activities				
Year ended 31 December 2010				
	Restricted	Unrestricted	Year Ended	Year Ended
	Funds	Funds	31/12/2010	31/12/2009
	€000's	€000's	€000's	€000's
Incoming Resources				
Church Collections, Donations & Bequests	1,201	185	1,386	1,128
Contributions from Parishes & other Dioceses	528	846	1,374	1,439
Contributions from Priests	111	-	111	109
Investment Income	84	84	168	363
Other Income	5	214	219	158
	1,929	1,329	3,258	3,197
Resources Expended				
Central Services	213	1,123	1,336	1,238
Assistance to Diocesan Activities and Beneficiaries of Funds	1,007	621	1,628	1,089
Payments to Sick & Retired Priests	675	6	681	648
Provision for write down in value of Fixed Assets	100	(32)	68	2,440
	1,995	1,718	3,713	5,415
Surplus /(deficit) for year on ordinary activities	(66)	(389)	(455)	(2,218)
Realised & Unrealised (loss) / gain on Investments	142	110	252	409
Surplus/(deficit) for year	76	(279)	(203)	(1,809)

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Balance Sheet at 31st December 2010

(Extracted from the audited financial statements)

	31-Dec-10	31-Dec-09
	€000's	€000's
Fixed Assets		
Tangible Assets- Properties	9,299	9,530
Development Expenditure	1,095	989
Investments	6,766	6,807
Total Fixed Assets	17,160	17,326
 Current Assets		
Bank Balances	1,138	1,503
Receivables & Prepayments	1,039	1,053
Payables	(146)	(500)
Loans	(1,080)	(1,068)
Net Current Assets	951	988
Total Assets	18,111	18,314
 Represented by:		
Fund Balances		
Restricted Funds:	6,420	6,344
Unrestricted Funds:	11,691	11,970
	18,111	18,314

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.

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.

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	2010 Total €000's	2009 Total €000's
Opening Balance 01/01/2010	1,177	945	3,441	781	1,291	10,679	18,314	20,123
Church Collections	792	0	0	100	77	0	969	773
Donations & Bequests	0	260	36	13	20	88	417	355
Contributions from other Dioceses	0	0	0	0	162	0	162	262
Contributions from Parishes	0	0	528	0	684	0	1,212	1,177
Contribution from Priests	0	0	111	0	0	0	111	109
Investment								
Income	39	4	41	0	38	46	168	363
Hierarchy Grants	0	0	0	0	15	0	15	4
Bank Interest (Net)	0	1	0	5	1	0	6	22
Other Income	0	0	0	0	99	99	198	132
Total Incoming Resources	831	264	716	118	1,096	233	3,258	3,197
Assistance to other Diocesan Activities and beneficiaries of Funds	(861)	(145)	0	0	(276)	(29)	(1,311)	(837)
Pastoral Services	0	0	0	(1)	(316)	0	(317)	(252)
Payments to sick & retired priests	0	0	(675)	0	(6)	0	(681)	(648)
Central Services	(10)	0	(34)	(169)	(931)	(192)	(1,336)	(1,238)
Provision for write down in value of fixed assets	0	0	(100)			32	(68)	(2,440)
Total Resources Expended	(871)	(145)	(809)	(170)	(1,529)	(189)	(3,713)	(5,415)
Surplus / Deficit	(40)	119	(93)	(52)	(433)	44	(455)	(2,218)
Gain/(Loss) on Investments	61	8	73	0	141	(31)	252	409
Total Deficit / Surplus for the period	21	127	(20)	(52)	(292)	13	(203)	(1,809)
Closing balance at 31st December 2010	1,198	1,072	3,421	729	999	10,692	18,111	18,314

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 2010. 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. In the period ended 31st December 2010 provisions for the impairment in values of properties amounted to a net charge of €68,000.
- Funds are classified as either restricted or unrestricted in accordance with the guidelines for accounting by charities.

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- The loss for the year ended 31st December 2010 amounted to €203K (2009:€1.8M). This loss includes an unrealised gain of €252K (2009: €409K) on investments. Adjusting for the unrealised gain on investments, an operating deficit of €455K arose in 2010 (2009: €2.218M). The main reason for the reduction in the operating deficit is that a provision for write down in the value of fixed assets of €2.44M arose in 2009, whereas a provision of €68K was necessary in 2010.
- The total assets of the Diocese at 31st December 2010 amounted to €19.3 million (2009: € 19.9 million). Properties valued at €10.4 million (2009: €10.5 million) are included in this figure. The remaining assets consist of Investments, Bank Balances & Receivables.
The total liabilities of the Diocese at 31st December 2010 amounted to €1.2 million (2009: €1.6 million). These consist of bank overdrafts, loans and amounts due to third parties.
The net assets of the Diocese at 31st December 2010 are comprised of restricted and unrestricted funds amounting to €6.4 million (2009:€6.3 million) and €11.7 million (2009: € 12 million) respectively.