

Diocese of Cork & Ross

Summary of the Financial Report

for the year ended 31st December 2019

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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 2019 which have been audited by PricewaterhouseCoopers.

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Comparative overview of the income and expenditure of diocesan funds for 2019 (Extracted from the audited financial statements)

Statement of Financial Activities				
Year ended 31 December 2019				
	Restricted	Unrestricted	Year Ended	Year Ended
	Funds	Funds	31/12/2019	31/12/2018
	€000's	€000's	€000's	€000's
Incoming Resources				
Church Collections, Donations & Bequests	1,611	728	2,339	1,396
Contributions from Parishes & other Dioceses	360	593	953	1,237
Contributions from Priests	326	0	326	88
Investment Income	111	55	166	114
Profit on disposal of fixed assets	0	2,156	2,156	228
Other Income	273	287	560	525
	2,681	3,819	6,500	3,588
Resources Expended				
Central Services	81	1,125	1,206	1,090
Pastoral Services	97	379	476	418
Assistance to Diocesan Activities and Beneficiaries of Funds	398	1,222	1,620	849
Payments to Sick & Retired Priests	796	0	796	712
Provision for impairment of tangible assets	0	3,324	3,324	0
Increase in legal provision	0	0	0	333
	1,372	6,050	7,422	3,402
Surplus /(deficit) for year on ordinary activities	1,309	(2,231)	(922)	186
Realised and unrealised gain on Investments	878	381	1,259	(339)
Surplus/(deficit) for year	2,187	(1,850)	337	(153)

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Balance Sheet at 31st December 2019

(Extracted from the audited financial statements)

	31-Dec-19	31-Dec-18
	€000's	€000's
Fixed Assets		
Tangible Assets- Properties	6,427	8,180
Development Expenditure	92	2,340
Investments	10,585	9,211
Total Fixed Assets	17,104	19,731
 Current Assets		
Bank Balances	4,937	2,447
Receivables & Prepayments	1,025	975
Payables & Provisions	(1,119)	(985)
Loan	0	(558)
Net Current Assets	4,843	1,879
Total Assets	21,947	21,610
 Represented by:		
Fund Balances		
Restricted Funds:	11,604	9,417
Unrestricted Funds:	10,343	12,193
	21,947	21,610

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. This fund includes the Cork & Ross Priests' Fraternity Fund which 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; and the Cork Regional Marriage Tribunal, The Lough. These funds are principally financed by contributions from the parishes, contributions from other Munster dioceses for the services of the Marriage Tribunal, 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	2019 Total €000's	2018 Total €000's
Opening Balance 01/01/2019	2,514	715	5,305	883	1,170	11,023	21,610	21,763
Church Collections	402	0	0	58	197	0	657	789
Donations & Bequests	25	3	1,039	83	0	315	1,465	607
Contributions from other Dioceses	0	0	0	0	143	0	143	157
Contributions from Parishes	0	0	360	0	450	0	810	850
Diocesan second collection	0	0	0	0	217	0	217	230
Contribution from Priests	0	0	326	0	0	0	326	88
Investment Income	28	5	58	21	10	44	166	228
Sale of property levy/gain on sale of fixed assets	0	0	0	0	0	2,156	2,156	114
Other Income	272	0	1	0	87	200	560	525
Total Incoming Resources	727	8	1,784	162	1,104	2,715	6,500	3,588
Assistance to other Diocesan Activities and beneficiaries of Funds	377	21	0	0	212	1,010	1,620	849
Pastoral Services	97	0	0	0	379	0	476	418
Payments to sick & retired priests	0	0	796	0	0	0	796	712
Increase in legal provision	0	0	0	0	0	0	0	333
Provision for impairment of tangible assets	0	0	0	0	0	3,324	3,324	0
Central Services	15	0	42	24	820	305	1,206	1,090
Total Resources Expended	489	21	838	24	1,411	4,639	7,422	3,402
Surplus / Deficit	238	(13)	946	138	(307)	(1,924)	(922)	186
Gain/(Loss) on Investments	192	37	483	166	85	296	1,259	(339)
Total Deficit / Surplus for the period	430	24	1,429	304	(222)	(1,628)	337	(153)
Closing balance at 31st December 2019	2,944	739	6,734	1,187	948	9,395	21,947	21,610

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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 2019. 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.
- The surplus for the year ended 31st December 2019 amounted to €337K (2018: deficit €153K). The 2019 surplus included a gain of €1,259K (2018: loss €339K) on investments. Hence there was an operating deficit of €922K in 2019, versus an operating surplus of €186K in 2018.
- The total assets of the Diocese at 31st December 2019 amounted to €23.1 million (2018: €23.2 million). Properties valued at €6.5 million (2018: €10.5 million) are included in this figure. The remaining assets consist of investments, bank balances and receivables.

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- The total liabilities of the Diocese at 31st December 2019 amounted to €1.1 million (2018: €1.5 million). These consist of bank overdrafts, loans and amounts due to third parties.
- The net assets of the Diocese at 31st December 2019 are comprised of restricted and unrestricted funds amounting to €11.6 million (2018: €9.4 million) and €10.3 million (2018: €12.2 million) respectively.