



Diocese of Cork & Ross

Financial Report for the year ended 31st December 2009

(Summary)

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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 2009 which have been audited by PricewaterhouseCoopers.

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Comparative overview of the income and expenditure of diocesan funds from 1st January 2008 to 31st December 2008 and 1st January 2009 to 31st December 2009. (Extracted from the audited financial statements)

Statement of Financial Activities				
Year ended 31 December 2009				
	Restricted Funds €000's	Unrestricted Funds €000's	Year Ended 31/12/2009 €000's	12 Months 31/12/2008 €000's
Incoming Resources				
Church Collections, Donations & Bequests	826	302	1,128	2,298
Contributions from Parishes & other Diocese	505	934	1,439	1,413
Contributions from Priests	109	0	109	111
Investment Income	163	200	363	262
Other Income	19	139	158	185
	1,622	1,575	3,197	4,269
Resources Expended				
Central Services	197	1,041	1,238	4,297
Assistance to Diocesan Activities and Beneficiaries of Funds	549	540	1,089	1,406
Payments to Sick & Retired Priests	640	8	648	649
Provision for write down in value of Fixed Asset	0	2,440	2,440	0
	1,386	4,029	5,415	6,352
Surplus /(deficit) for year/ period on ordinary activities				
Realised & Unrealised (loss) / gain on Investments	236	-2,454	-2,218	-2,083
	158	251	409	-2,633
	394	-2,203	-1,809	-4,716

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Balance Sheet at 31st December 2009

(Extracted from the audited financial statements)

		31-Dec-09	31-Dec-08
		€000's	€000's
Fixed Assets			
Tangible Assets- Properties	Note 1	9,530	12,174
Development Expenditure		989	879
Investments		6,807	6,090
Total Fixed Assets		<u>17,326</u>	<u>19,143</u>
Current Assets			
Bank Balances		435	220
Receivables & Prepayments		1,053	1,020
Property held for resale		-	380
Payables		-500	-640
Net Current Assets		<u>988</u>	<u>980</u>
Total Assets		<u><u>18,314</u></u>	<u><u>20,123</u></u>
Represented by:			
Fund Balances			
Restricted Funds:		6,344	5,991
Unrestricted Funds:		11,970	14,132
		<u>18,314</u>	<u>20,123</u>

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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.

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, 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):

These are 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	2009 Total €000's	2008 Total €000's
Opening Balance 01/01/2009	1,007	906	3,259	819	1,127	13,005	20,123	24,839
Church Collections	571	0	0	114	88	0	773	768
Donations & Bequests	9	47	84	1	111	103	355	1,530
Contributions from other Dioceses	0	0	0	0	262	0	262	290
Contributions from Parishes	0	1	504	0	672	0	1,177	1,123
Contribution from Priests	0	0	109	0	0	0	109	111
Investment								
Income	98	11	54	0	96	104	363	262
Hierarchy Grants	0	0	0	0	4	0	4	25
Bank Interest (Net)	2	1	1	15	2	1	22	38
Sundry Income	0	0	0	0	31	101	132	120
Total Incoming Resources	680	60	752	130	1,266	309	3,197	4,267
Assistance to Parishes	0	0	0	0	0	0	0	0
Assistance to other Diocesan Activities and beneficiaries of Funds	-510	-24	0	-5	-298	0	-837	-993
Pastoral Services	0	-10	0	0	-218	-24	-252	-412
Payments to sick & retired priests	0	0	-640	0	-8	0	-648	-649
Central Services	-6	0	-28	-163	-708	-2773	-3678	-4,297
Total Resources Expended	-516	-34	-668	-168	-1,232	-2797	-5415	-6,351
Surplus / Deficit	164	26	84	-38	34	-2488	-2218	-2,084
Gain/(Loss) on Investments	91	7	60	0	129	122	409	-2,632
Inter fund transfers / reclassifications	-85	6	38	-	1	40	0	0
Total Deficit / Surplus for the period	170	39	182	-38	164	-2326	-1,809	-4,716
Closing balance at 31st December 2009	1,177	945	3,441	781	1,291	10,679	18,314	20,123

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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 2009. 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 2009 provisions for the impairment in values of properties amounted to €2.4 million.
- 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 2009 amounted to €2.8 million. This loss includes a charge of €2.4 million (2008: €3 million) for the write down in the value of properties held by the Diocese; together with an unrealised gain of €0.4 million (2008: €2.6 million loss) on investments. Adjusting for these two items an overall operating surplus of €0.2 million arose. As in previous years, while included in this surplus are a number of surpluses and deficits arising on individual funds, a contributory factor to the overall surplus was the level of donations and bequests received by the Diocese in the year, €355,000.
- The total assets of the Diocese at 31st December 2009, amounted to €18.3 million (2008- €20.1 million). Properties valued at €9.5 million (2008 - €12.1 million) are included in this figure. The remaining assets consist of Investments, Bank Balances & Receivables.
- The decrease in the value of Tangible Assets is attributable to the decrease in values of the properties of the Diocese as a result of the current economic climate.

Declan O'Connell, FCA
Financial Administrator