

HIERARCHY GENERAL PURPOSES TRUST
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

HIERARCHY GENERAL PURPOSES TRUST

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2015

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HIERARCHY GENERAL PURPOSES TRUST

DIRECTORS AND OTHER INFORMATION

TRUSTEES	+ Eamon Martin + Kieran O'Reilly + Diarmuid Martin + Michael Neary
EXECUTIVE ADMINISTRATOR	Harry Casey
FINANCE AND GENERAL PURPOSES COUNCIL	+ John Fleming + Michael Smith + Francis Duffy Alice Quinn Derek Staveley Stephen Costello Sean O'Dwyer Anne Young
CHARITY NUMBER	CHY5956
CHARITY REGULATOR NUMBER	20009861
PRINCIPAL OFFICE	Columba Centre Maynooth Co. Kildare
AUDITORS:	Crowe Horwath Bastow Charleton Chartered Accountants and Statutory Audit Firm Marine House Clanwilliam Court Dublin 2
BANKERS:	AIB Plc 7/12 Dame Street Dublin 2 Ulster Bank The Square Kilcock Co. Louth Bank of Ireland 11 Upper English Street Armagh
INVESTMENT MANAGERS:	Davy Group Dawson Street Dublin 2
SOLICITORS:	Mason Hayes & Curran South Bank House Barrow Street Dublin 4

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

The Trustees present their annual report and the financial statements of the Hierarchy General Purposes Trust (HGPT) for the year ended 31 December 2015.

IMPACT OF FRS102

The financial statements for the year ended 31 December 2015 have been prepared in accordance with FRS 102 and the comparative figures for 31 December 2014 were restated where necessary.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Hierarchy General Purposes Trust was established on 12 December 1975 and is registered as a charity (CHY 5956). The Trust's governing document is the Trust Deed.

Principal aims

The Trust was established to assist the Irish Catholic Bishops' Conference in exercising its collective responsibility for pastoral care, teaching and governance of the Catholic Church in Ireland.

Trustees

The Trustees of the HGPT are the four Metropolitan Archbishops. The Trustees throughout the year were Eamon Martin, Archbishop of Armagh, Sean Brady, former Archbishop of Armagh, Diarmuid Martin, Archbishop of Dublin, Kieran O'Reilly, Archbishop of Cashel and Emly, Dermot Clifford, former Archbishop of Cashel and Emly and Michael Neary, Archbishop of Tuam. Dermot Clifford and Sean Brady retired during the year and the HGPT express their sincere gratitude for their help and services throughout the year.

Governance

The governance of the HGPT is accomplished through the Irish Catholic Bishops' Conference (also known as the Irish Episcopal Conference). This is the assembly of the Bishops of Ireland and the Conference normally meets on a quarterly basis. The current membership of the Irish Catholic Bishops' Conference comprises the bishops (or Diocesan Administrators) of the 26 dioceses of Ireland together with auxiliary bishops. The Trustees of the HGPT are the four serving Archbishops from within this membership.

To help it fulfil its aims more effectively, the Irish Catholic Bishops' Conference have also established five Episcopal Commissions comprising various Councils together with other agencies and bodies which focus on specific tasks and areas of responsibility within the mission of the Church. The day to day operations of the Conference are overseen by a Secretariat.

The financial oversight of the HGPT is supported by the Finance and General Purposes Council (FGPC), comprising the Chairperson (Bishops' Finance Secretary), two other appointed Bishop members and five appointed voluntary lay members. The FGPC meets on a quarterly basis and all members of this Council (in line with all other Councils) are appointed for a three year term by the Bishops at a general meeting.

Risk assessment

The Trustees annually assess the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances, by identifying and ranking risks in terms of their potential impact and likelihood. The Trustees believe that by monitoring the level of reserves, ensuring controls exist over key financial systems, and examining the operational and business risks faced by the charity they are developing appropriate management strategies, and are establishing effective systems to mitigate these risks.

Relations with other charitable organisations

As the HGPT is the administrative and funding structure of the Irish Catholic Bishops' Conference, it has close links with the diocesan charities throughout Ireland, through which the annual diocesan contributions towards the funding of the Irish Catholic Bishops' Conference are provided. The Trust relates to the charities of religious congregations within the Conference of Religious of Ireland, particularly through its provision of the administrative, human resource and financial management for the National Board for Safeguarding Children in the Catholic Church in Ireland (NBSCCCI). The Trust also relates closely to those agencies of the Bishops' Conference that exist as independent charities, the main ones being: Trócaire, the Catholic Agency for Overseas Development; ACCORD, Catholic Marriage Care Service; and CURA, crisis pregnancy support services.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS

In order to fulfil its charitable aims and objectives, the activities of the HGPT are determined by the requirements of the Irish Catholic Bishops' Conference.

The five constituent commissions of the Irish Catholic Bishops' Conference, outlined below, broadly identify for the bishops the current areas of pastoral activity which optimally support the pastoral work of the twenty six dioceses on the island of Ireland and in their witness to the Gospel in the contemporary world.

Public benefit

The details of individual projects which are of public benefit are outlined below in this report. The work of the HGPT, through the pastoral outreach of the Irish Catholic Bishops' Conference, contributes to the sum of public knowledge by publishing resources, by promoting initiatives, and by raising public awareness in the media, on its website (www.catholicbishops.ie) and via the digital media platforms of the Conference, the objective of all of which is to support Catholic life in Ireland.

The Trustees have been cognisant of general guidance on public benefit when reviewing their aims and objectives in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Through the work of the following five commissions – and their councils and agencies - the Trust, in line with Church teaching, seeks to ensure the moral and spiritual wellbeing of the individual, and to help discern the common good for all of society.

- Commission for Worship, Pastoral Renewal and Faith Development
- Commission for Pastoral Care
- Commission for Catholic Education and Formation
- Commission for Social Issues and International Affairs
- Commission for Planning, Communications and Resources

COMMISSION FOR WORSHIP, PASTORAL RENEWAL AND FAITH DEVELOPMENT

The work of this Commission is informed by the activities, reflections and proposals which arise through the work of the Councils for Clergy, Liturgy, Pastoral Renewal and Adult Faith Development, Religious, and Vocations. This Commission is chaired by Bishop Seamus Freeman, Bishop of Ossory, and it considers matters presented by its constituent councils and agrees on the recommendations it wishes to make to the Irish Catholic Bishops' Conference.

It follows that the principal areas with which this Commission (Worship, Pastoral Renewal and Faith Development) are concerned with are making and sustaining Christians in service of Christ's mission and vision in and for the world. It seeks to give attention to:

- the public worship of God;
- the development of vibrant communities of believers; in the liturgy; and,
- structures and processes which sustain those in ministry in the Church.

The commission serves not only the community of the Church but also its capacity to be a partner in civic life and a co-worker with all who serve the common good of society.

The councils of this commission interface with societal and statutory interests in several ways. Among these are the Committee on Sacred Art and Architecture - regarding architectural heritage as per Part IV of the Planning and Development Act 2000 (Council for Liturgy) and community services and development agencies, mainly locally, through pastoral centres, community partnerships and projects (Council for Pastoral Renewal and Adult Faith Development).

Working through their networks of communication, social media, seminars and conferences at regional and national level, the Councils actively promote the vision and practice of Christian living, essential to which are interdependent community, the promotion of justice, the work of charity, responsible citizenship, and care for the earth.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

COMMISSION FOR PASTORAL CARE

The Commission for Pastoral Care, chaired by Bishop Éamonn Walsh, Auxiliary Bishop of the Archdiocese of Dublin, continued to assist the Irish Catholic Bishops' Conference, in expressing God's love and concern through the Church's pastoral mission. It provided person-centered support for those seeking pastoral assistance including services for the vulnerable, those in difficulty, and on the margins.

The two best-known agencies under the aegis of the commission are both registered charities in their own right: ACCORD: Catholic Marriage Care Service, which has 55 centres throughout Ireland (in 2015 delivered marriage education programmes to 15,774 individuals and 33,969 counselling sessions to 8,676 clients); and CURA, which offers support services to those experiencing an unplanned pregnancy through its 14 centres in 2015 delivered 1,309 client contacts of which 849 were new individual clients; a total of 822 counselling hours were provided and a Schools Awareness Programme was provided to 71 schools.

Council for Healthcare

The Council organised a symposium entitled "What is the Future for Catholic Hospitals in Ireland" in February 2015. The process of drafting a Catholic code of ethics for healthcare in Ireland continued in collaboration with the Bioethics Consultative Group. An assembly for Catholic healthcare chaplains was held in October 2015. The Council was represented at an international conference at the Vatican in November and at meetings of the HSE Healthcare Chaplaincy Professional Council throughout the year.

Council for Marriage and the Family

Council members participated in a delegation representing the Bishops' Conference at the September 2015 World Meeting of Families held in Philadelphia with the theme "Love is Our Mission: The Family Fully Alive". Members of the Council also contributed to a discussion paper focusing on the theme of the October 2015 Synod of Bishops "The Vocation and Mission of the Family in the Church and Contemporary World". Council members compiled initial practical thoughts regarding planning for the 2018 World Meeting of Families to be held in Dublin. A Council Working Group has worked with the Council for Catechetics on various projects. The Council maintains contact with groups and bodies committed to the service of the Christian understanding of marriage and family life. A sub-committee collaborated with the Council for Justice and Peace on strategic approaches, supporting marriage and the family as the basic unit of a healthy society that wants to sustain freedom, security and community responsibility.

Council for Emigrants

The Council is the response of the Bishops' Conference to the needs of Irish emigrants prior to and following departure. It is particularly committed to the needs of the most vulnerable emigrant groups. In large part, through the work of the chaplaincies and apostolates in the United States, Australia and the UK and in conjunction with the host Churches, it seeks to provide practical and pastoral support to the Irish emigrant communities. Parish resources are provided annually as well as grant funding to organisations working with Irish emigrants.

Irish Council for Prisoners Overseas (ICPO)

The Irish Council for Prisoners Overseas provides information, support and advice to Irish people imprisoned overseas and to their families. It works with more than 1,300 Irish prisoners in 32 countries around the world. With offices in Maynooth and London, it seeks to address the needs and concerns of prisoners on a wide variety of matters including, repatriation, deportation, post release supports, hardship fund support and prison visits. ICPO also engages in advocacy at a national and international level on issues affecting its clients.

To mark its thirtieth year in operation, the ICPO held a conference in Dublin Castle in December 2015. Delegates were addressed by the President of Ireland, Michael D. Higgins and the Minister for Foreign Affairs and Trade, Charlie Flanagan TD. New research was also published to coincide with the conference dealing with the resettlement needs of this vulnerable emigrant group.

Council for Immigrants

The Council continued to promote awareness of migrant related issues in its commitment to asylum seekers, refugees and migrant workers, engaging with NGOs, and working for the protection and care of asylum seekers, refugees and migrant workers. 2015 saw the Council work closely with dioceses to build a culture of welcome and safety for migrants, especially for refugees seeking sanctuary from war and persecution. The Council's network of parish and diocesan groups has continued to grow and is supported by visits, consultations, new resources and engagement in campaigns across the dioceses. Support for migrant chaplains was offered in the form of the hosting of gatherings and guidelines have been drafted to further strengthen and assist their ministry in the dioceses.

Irish Bishops' Drugs Initiative Pastoral Response to Substance Abuse (IBDI)

The IBDI is a Church response to assist parish communities in developing a pastoral awareness and informed outreach to the issues of drugs and alcohol in communities, focused in 2015 on information and awareness, education and training, alternative activities to avoid substance misuse and mobilising communities to support individuals and families in partnership with other service agencies. Despite facing the challenge of reduced resources resulting in less outreach, it facilitated programmes to over 1,200 students and over 500 parents, many as part of a confirmation preparation programme.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

COMMISSION FOR CATHOLIC EDUCATION AND FORMATION

The Commission for Catholic Education and Formation focuses on policy direction in conjunction with the Catholic Education Service Committee. The Commission is chaired by Bishop Leo O'Reilly, Bishop of Kilmore, and comprises the Council for Catechetics; the Council for Education (with the Northern Ireland Commission for Catholic Education); the Council for Doctrine; the Council for Ecumenism; and the Bioethics Consultative Group.

During 2015 the main activities of the Councils of this Commission included reviewing Catholic third level education in Ireland introduction of pilot project for the development of ethos in second level schools; Bioethical issues; Doctrine: a Colloquium between Bishops and Theologians was held; Launch of CSP Booklet - Catholic Primary Schools in a Changing Ireland: Sharing good practice on inclusion of all pupils; Catechetics: Launch of new curriculum for Religious Education in Ireland in-servicing the programme "Grow in Love"; Liaised with CPSMA regarding RSE; Divesting of schools, New Lease for schools; Deed of Variation; Developing educational implications of the papal encyclical *Laudato Si*; organising the annual and national Catholic Schools Week.

COMMISSION FOR SOCIAL ISSUES AND INTERNATIONAL AFFAIRS

This Commission is chaired by Bishop Noel Treanor, Bishop of Down and Connor.

The Council for Justice and Peace (CJP) engages in research and advocacy on social justice issues, basing its analysis on Catholic Social Teaching, as well as providing support and guidance to local church groups wishing to engage in justice and peace activities. The Northern Ireland Catholic Council on Social Affairs (NICCOSA) operates as a sub-committee of the Council for Justice and Peace, advising the Northern Bishops on matters of social policy in Northern Ireland.

During 2015, CJP engaged in advocacy and awareness-raising on a range of human rights issues, notably: Ireland's response to the refugee crisis, human trafficking, climate change, conflict in the Middle East, persecution of Christians, homelessness and housing rights, and the impact of poverty and social exclusion in the Travelling Community. As a joint initiative with Trócaire, CJP developed a resource pack to support and promote local justice and peace work. A pilot was launched in 2015. NICCOSA engaged in advocacy on a number of important policy issues, including: peace and reconciliation, refugee integration, poverty and social exclusion, welfare reform, policing, and protection of freedom of conscience and religion.

Both CJP and NICCOSA engage in strategic partnerships with other churches and faith communities, NGOs, community organisations and statutory bodies as appropriate to further this work, as well as participating in EU and pan-European church networks and government-sponsored consultative forums.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

COMMISSION FOR PLANNING, COMMUNICATION AND RESOURCES

The Commission for Planning, Communications and Resources comprises the Catholic Communications Office (CCO), Veritas, the Council for Research and Development, and the Finance and General Purposes Council. Its Episcopal members are Archbishop Eamon Martin (Chairman), Archbishop Kieran O'Reilly, Bishop Michael Smith, Bishop John Fleming and Bishop Francis Duffy.

The CCO assists bishops, priests, religious, deacons, seminarians and laity in promoting the mission of the Gospel through training and communications support in their ministry and pastoral activities, as well as with their engagement in the mass and on digital media. In this regard the CCO also works with the communications officers of the twenty-six dioceses on the island of Ireland, the press office of the Holy See, with personnel from bishops' conferences abroad, and with media officers from other Christian denominations and faiths. Intercom – the bishops' pastoral and liturgical magazine for people in ministry - is edited in the CCO and it is published ten times per year by Veritas.

The CCO published 343 press releases during 2015, and hosted numerous press briefings on pastoral initiatives undertaken by the Bishops' Conference, its agencies, and by individual bishops. CCO responded to hundreds of media queries on the role of the Church in society, on faith topics, and assisted members of the public with, for example, their queries on Church teaching on specific issues, and also with queries relating to tracing family faith history. Key communications issues during 2015 included: Lent, Easter, Advent and Christmas; promoting the sanctity of human life at stages of life; child safeguarding; prayers for victims of violence in society; support for Catholic teaching on marriage and family; Catholic education; the Extraordinary Jubilee of Mercy for the Universal Church; appointment of Father Alphonus Cullinan and Monsignor Paul Tighe as bishops, retirement of Bishop Anthony Farquhar and the deaths of Bishop Thomas Flynn RIP and Bishop Dermot O'Mahony RIP; work of Accord and Trócaire; fiftieth anniversary of the conclusion of Second Vatican Council; fortieth anniversary of the Catholic Communications Office; thirtieth anniversary of the Irish Council for Prisoners Overseas; Year of Consecrated Life; publication of Apostolic Encyclical letter *Laudato Si* on care for our common home; encouraging politicians in their work to sustain the peace process in Northern Ireland; publication of the 2014 Annual Report and Financial Statements of the Irish Episcopal Conference; Synod on the Family in Rome; Bishops' visit to the EU institutions in Brussels; pastoral support for refugees, asylum seekers and migrants; announcement by Pope Francis that the ninth World Meeting of Families to take place in Dublin in 2018; National Eucharistic Congress in Knock; new seminarians and ordinations of deacons and priests; inclement weather and the annual Croagh Patrick pilgrimage; fourteenth centenary of Saint Columbanus; death of Irish students in Berkley, USA; persecution of Christians in the Middle East; rededication of Saint Mel's Cathedral, Longford; blood and organ donation; freedom of religion and conscience; second anniversary of the pontificate of Pope Francis; justice and peace issues; annual Knock Novena; ecumenism; homeless; and, road safety.

As the official publisher of the Irish Catholic Bishops' Conference, Veritas publishes general religious books, liturgical texts in Irish and English, and catechetical texts. The Council for Research and Development supervises and assists in research projects approved or requested by the Bishops' Conference, its agencies and commissions. The Finance and General Purposes Council acts in an advisory capacity to the Bishops' Conference on matters related to finance and administration.

FINANCIAL REVIEW

Income and expenditure

In 2015 the income of the Trust from all sources was €4,813,567 (2014: €5,382,161). The main sources are diocesan contributions provided by the Bishops for the purposes of the Irish Catholic Bishops' Conference, its councils, agencies and associated initiatives. Additional contributions were received from dioceses in support of the Church's contributions to the Counselling support service of CCSS T/a Towards Healing, Spiritual Support Service of Towards Peace, Anscombe Bioethics Centre, support of the Holy See (Universal Church) and the care of retired bishops. Other income is derived from investments and external grants.

Total expenditure for the year was €5,003,252 (2014: €4,766,070). The expenditure of the Trust is analysed in detail in the accounts attached to this report. The Irish Catholic Bishops' Conference employs staff to carry out the work of the Councils, agencies and associated initiatives, which also rely on the participation of volunteers who serve as council members and advisors.

The results for the year are shown on page 11. The net movement in funds for the year was a deficit of €189,685; (2014: surplus €616,091).

The Balance Sheet shows total reserves of €5,091,799 (2014: €5,281,484). Of this, €889,013 (2014: €965,783) is restricted to be applied for specific purposes. The remaining funds are unrestricted.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

Reserves Policy

The operational policy of the Irish Catholic Bishops' Conference is to try to ensure that it has adequate "free" reserves to meet its continuing charitable obligations and day-to-day working capital requirements. It is reliant upon diocesan contributions for the majority of its income, and this is agreed annually by the Bishops' Conference.

Investment Policy

The objective of the Investment Policy is to maintain high liquidity while ensuring maximum security, meeting ethical standards and achieving the highest possible return within these limiting factors. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio, mitigating against credit risk, currency risk and country risk.

In the management of investments both Charity Law and Church teaching applies. Under Charity Law, the Trustees must seek to obtain the best financial return possible consistent with commercial prudence. Following the Church's teaching, the Trustees also seek to maintain an ethical investment policy through a process of making judgments about the products, services and corporate practices as well as their financial efficacy. The judgement of the Trustees and their decisions to invest or disinvest, and of seeking to change through shareholder action, reflect particularly that teaching which promotes the dignity and sanctity of human life and the importance of society in general.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the Trust's affairs and of its income and expenditure for the year. The Trustees have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Charities SORP 2015 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

The Trustees are responsible for keeping proper accounting records which comply with accounting standards and which disclose, with reasonable accuracy at any time, the financial position of the Charitable Trust. To ensure that proper books and records are kept, the Trust has employed appropriately qualified personnel and has maintained appropriate computerised accounting systems. It is also responsible for safeguarding the assets of the Trust, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PLANS FOR THE FUTURE

The Trust is continuing with its programme of works to meet its objectives and to ensure that it conforms to all best practice guidelines for a not for profit entity.

AUDITORS

Crowe Horwath Bastow Charleton are eligible and have expressed their willingness to continue in office.

ON BEHALF OF THE BOARD OF TRUSTEES:

+ Kieran O'Reilly

+ Michael Neary

Date: 8 June 2016

HIERARCHY GENERAL PURPOSES TRUST

INDEPENDENT AUDITORS REPORT TO THE BOARD OF TRUSTEES OF THE HIERARCHY GENERAL PURPOSES TRUST

We have audited the financial statements of Hierarchy General Purposes Trust, for the year ended 31 December 2015, on pages 11 to 22. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) including Financial Reporting Standard 102 'The Reporting Standard applicable in the UK and Republic of Ireland.'

This report is made solely to the Board of Trustees as a body. Our audit work has been undertaken so that we might state to the Board those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF BOARD OF TRUSTEES AND AUDITORS

As described on page 9 the Board of Trustees is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the organisation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report for the year ended 31 December 2015 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion, the financial statements give a true and fair view of the state of Trust's affairs as at 31 December 2015 and of its incoming resources and application of resources for the year ended on that date.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT

- We have obtained all the information and explanations which we consider necessary for the purpose of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Report of the Trustees is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report to you in respect of disclosures of transactions specified by law.

Signed: Sharon Gallen

For and on behalf of:

**Crowe Horwath
Bastow Charleton**
Chartered Accountants and Statutory Audit Firm
Marine House
Clanwilliam Court
Dublin 2

Date: 10 June 2016

HIERARCHY GENERAL PURPOSES TRUST

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Unrestricted Funds €	Restricted Funds €	Total 2015 €	Total 2014
INCOME					
Donations	1a	1,829,963	2,725,673	4,555,636	5,025,695
Income from charitable activities	1c	10,201	-	10,201	5,813
Income from Investments	1d	244,221	3,509	247,730	350,653
Total		2,084,385	2,729,182	4,813,567	5,382,161
EXPENDITURE ON:					
Raising funds	2	(9,911)	-	(9,911)	(9,484)
Charitable activities	3	(2,187,389)	(2,805,952)	(4,993,341)	(4,756,587)
Total		(2,197,300)	(2,805,952)	(5,003,252)	(4,766,070)
NET MOVEMENTS IN FUNDS					
		(112,915)	(76,770)	(189,685)	616,091
Total funds brought forward	12/13	4,315,701	965,783	5,281,484	4,665,393
TOTAL FUNDS CARRIED FORWARD	12/13	4,202,786	889,013	5,091,799	5,281,484

All income and expenditure arises from continuing operations. There are no recognised gains or losses other than the result for the year.

HIERARCHY GENERAL PURPOSES TRUST**BALANCE SHEET AS AT 31 DECEMBER 2015**

	Notes	2015 €	2014 €
FIXED ASSETS			
Tangible assets	7	19,025	11,718
Investments	8	<u>2,418,251</u>	<u>3,234,463</u>
CURRENT ASSETS			
Debtors	9	1,284,679	1,134,675
Term Loan - Veritas	9	1,255,791	70,000
Cash and Cash Equivalents		565,864	1,152,910
		<u>3,106,334</u>	<u>2,357,585</u>
CREDITORS (amounts falling due within one year)	10	(451,811)	(322,282)
NET CURRENT ASSETS		<u>2,654,523</u>	<u>2,035,303</u>
TOTAL NET ASSETS		<u><u>5,091,799</u></u>	<u><u>5,281,484</u></u>
FUNDS OF THE CHARITY			
Unrestricted funds	12	4,202,786	4,315,701
Restricted funds	13	889,013	965,783
TOTAL FUNDS		<u><u>5,091,799</u></u>	<u><u>5,281,484</u></u>

The financial statements were approved by and authorised by the Trustees on 8 June 2016 and signed on its behalf by:

+ Kieran O'Reilly

+ Michael Neary

HIERARCHY GENERAL PURPOSES TRUST**CASHFLOW STATEMENT AS AT 31 DECEMBER 2015**

	Notes	2015 €	2014 €
NET CASHFLOW OUTFLOW FROM OPERATING ACTIVITIES	14	(1,539,191)	(680,301)
RETURN ON INVESTMENTS & SERVICING OF FINANCE	15	4,241	18,340
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	15	947,903	(1,842,742)
		<hr/>	
DECREASE IN CASH	16	(587,046)	(2,504,703)
 RECONCILIATION OF NET CASH OUTFLOW TO MOVEMENT IN NET FUNDS			
DECREASE IN CASH FOR YEAR	16	(587,046)	(2,504,703)
NET CASH AT START OF YEAR	16	1,152,910	3,657,613
NET CASH AT END OF YEAR	16	<hr/> <hr/>	<hr/> <hr/>

HIERARCHY GENERAL PURPOSES TRUST

STATEMENT OF ACCOUNTING POLICIES

The following accounting policies are applied consistently in dealing with items which are considered material in relation to the Trust's financial statements:

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland with reference to the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charities Commissioner in the UK .

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Trust's accounting policies.

The following principal accounting policies have been applied:

INCOMING RESOURCES

Income is treated as being general and unrestricted unless a donor has specified the manner in which the income is to be spent, in which case it is treated as restricted income. Income earned on funds held on deposit is treated as unrestricted income, unless specified by the donor. Restricted income is allocated to the fund as specified by the donor.

Royalties

Royalties arising from the sale of religious publications are credited to the income and expenditure account in the year in which they become receivable.

Diocesan contributions

Diocesan contributions are credited to the income and expenditure account in the year in which they are receivable.

Grants

Grants are recorded when receivable, and if relevant when any performance conditions are satisfied.

Other Income

Other income is accounted for when receivable.

RESOURCES EXPENDED

Expenditure is recognised on an accruals basis as a liability is incurred and is recorded as part of the expenditure to which it relates. Cost of raising funds comprise the costs associated with attracting voluntary income. Expenditure on charitable activities are those costs incurred by the charity in the delivery of its stated objectives. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All expenditure is authorised by the Irish Episcopal Conference.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated in the Balance Sheet at cost less accumulated depreciation.

Depreciation is provided on all tangible assets, so as to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rate:

Equipment and fittings - 25%

PENSIONS

The Irish Episcopal Conference operates a defined contribution scheme and pension benefits are funded over the employees' period of service by way of contributions from the Trust and the employees. Contributions are charged to the relevant Councils in the year in which they become payable.

FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

INVESTMENT POLICY

Investments are measured at fair value with changes recognised in the Statement of Financial Activities.

DEBTORS

Short term debtors are measured at transaction price, less any impairment.

HIERARCHY GENERAL PURPOSES TRUST

STATEMENT OF ACCOUNTING POLICIES

CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

FINANCIAL INSTRUMENTS

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. Basic financial instruments are recorded at transaction price.

CREDITORS

Short term creditors are measured at the transaction price.

TAXATION

No charge to taxation arises as the company is exempt under Section 207 and 208 of the Taxes Consolidation Act 1997.

RESTRICTED FUNDS

Restricted funds consist of amounts received which can only be used for the purpose for which they are specified by the subscribers.

UNRESTRICTED FUNDS

Unrestricted funds consist of grants and subscriptions which the charity can spend based on its own discretion to enable it to achieve its overall aim and objectives.

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

	Unrestricted Funds €	Restricted Funds €	Total 2015 €	Total 2014 €
1. INCOMING RESOURCES				
1 (a) DONATIONS				
Diocesan Contributions	1,829,963	-	1,829,963	1,829,930
Care of retired Bishops	-	568,061	568,061	495,241
CCSS T/A "Towards Healing"	-	1,450,000	1,450,000	1,500,000
Episcopal Council Drugs Initiative (IBDI)	-	89,750	89,750	89,750
Irish Council for Prisoners Overseas (ICPO)	-	126,730	126,730	150,091
Episcopal Council for Emigrants	-	223,932	223,932	170,549
Episcopal Council for Immigrants	-	30,000	30,000	30,000
Irish Council for Justice and Peace	-	30,000	30,000	30,000
Anscombe Bioethics Centre	-	60,000	60,000	60,000
Holy See (Universal Church)	-	136,500	136,500	136,500
Eucharistic Congress	-	-	-	147,720
Council for Healthcare	-	10,700	10,700	20,113
Towards Peace	-	-	-	72,970
Pilgrimage Fund	-	-	-	292,831
	1,829,963	2,725,673	4,555,636	5,025,695
1 (b) GRANT INCOME				
Included within donations are the following grants received during the year:				
			2015	2014
			€	€
HSE (IBDI Grant)			69,750	69,750
Department of Foreign Affairs and Trade - Emigrant Support Programme:				
ICPO caseworker Grant - (1 July 2015 - 30 June 2016)			85,730	65,091
ICPO Hardship Fund - (1 July 2015 - 30 June 2016)			35,000	35,000
ICPO Project Grants - (1 July 2015 - 30 June 2016)			6,000	2,500
			196,480	172,341
	Unrestricted Funds €	Restricted Funds €	Total 2015 €	Total 2014 €
1 (c) INCOME FROM CHARITABLE ACTIVITIES				
Royalties	10,201	-	10,201	5,813
	Unrestricted Funds €	Restricted Funds €	Total 2015 €	Total 2014 €
1 (d) INCOME FROM INVESTMENTS				
Interest earned on deposits	732	3,509	4,241	18,340
Loan Interest Receivable	23,619	-	23,619	-
Miscellaneous	43,169	-	43,169	10,526
Rental Income	28,397	-	28,397	29,417
Gain on Investments	148,304	-	148,304	292,370
	244,221	3,509	247,730	350,653
	Unrestricted Funds €	Restricted Funds €	Total 2015 €	Total 2014 €
2. RAISING FUNDS				
Staff costs	7,000	-	7,000	7,000
Support costs (note 4)	714	-	714	906
Governance costs (note 5)	2,197	-	2,197	1,578
	9,911	-	9,911	9,484

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

	Unrestricted Funds €	Restricted Funds €	Total 2015 €	Total 2014 €
3. CHARITABLE EXPENDITURE				
Commission for Planning, Communications and Resources	781,425	-	781,425	833,362
Commission for Pastoral Care	305,699	521,322	827,021	641,672
Commission for Social Issues and International Affairs	75,395	30,000	105,395	138,322
Commission for Worship, Renewal and Faith Development	174,773	-	174,773	243,934
Commission for Catholic Education and Formation	264,109	60,000	324,109	251,036
CCSS T/A Towards Healing	-	1,450,000	1,450,000	1,500,000
Care of retired Bishops	-	568,061	568,061	526,456
Holy See (Universal Church)	-	136,500	136,500	136,500
National Eucharistic Congress	-	40,069	40,069	-
National Board for Safeguarding Children	298,612	-	298,612	243,975
Support Costs (note 4)	67,202	-	67,202	85,127
Integrity of Ministry	2,631	-	2,631	-
Governance Costs (note 5)	217,543	-	217,543	156,202
	<u>2,187,389</u>	<u>2,805,952</u>	<u>4,993,341</u>	<u>4,756,587</u>

3.1 GRANT FUNDING ACTIVITIES

Included within charitable expenditure are the following grants by activity:

	Grants to Institutions €	2015 €	2014 €
Commission for Planning, Communications and Resources	7,841	7,841	-
Commission for Pastoral Care	33,072	33,072	47,326
Commission for Social Issues and International Affairs	41,087	41,087	40,121
Commission for Worship Renewal and Faith Development	33,756	33,756	25,000
Commission for Catholic Education and Formation	63,116	63,116	108,799
National Board for Safeguarding Children	298,612	298,612	243,975
CCSS T/A Towards Healing	1,450,000	1,450,000	1,500,000
	<u>1,927,484</u>	<u>1,927,484</u>	<u>1,965,221</u>

The only material grants made during the year relate to an amount paid to Coimirce amounting to €298,612 (2014: €243,967) and CCSS T/A Towards Healing amounting to €1,450,000 (2014: €1,500,000).

4. SUPPORT COSTS

Support costs included within the Hierarchy General Purposes Trust include Staff costs, Office costs, Administration, and Training. Costs are charged to each activity on the basis listed below

	Total Allocated Raising Funds		Charitable activities	Governance	Basis of apportionment
Staff Costs	40,620	406	38,183	2,031	Staff Time
Office Costs	30,871	308	29,019	1,544	Staff Time
	<u>71,491</u>	<u>714</u>	<u>67,202</u>	<u>3,575</u>	

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

5. GOVERNANCE COSTS

		Raising Funds	Charitable Activities	2015	2014
		€	€	€	€
Governance Costs	(note 5.1)	2,162	214,004	216,166	153,252
Support Costs	(note 4)	36	3,539	3,575	4,528
		2,197	217,543	219,741	157,780

5.1 Governance costs

	2015	2014
	€	€
Episcopal Conference Bishops Expenses	24,791	25,444
Legal and Professional fees	178,153	112,003
Audit	13,222	15,805
	216,166	153,252

6. STAFF AND STAFF COSTS

The average number of employees during the year was 34 (2014 - 30). The aggregate amounts paid to or on behalf of the staff are as follows:

	2015	2014
	€	€
Wages and salaries	1,286,930	1,231,443
Social welfare costs	138,359	134,242
Pension costs	100,099	99,490
	1,525,388	1,465,175

The number of employees whose remuneration was greater than €70,000 is as follows:

Salary Range	2015	2014
€70,000 - €80,000	1	1
€110,001 - €120,000	1	1
€120,001 - €130,000	1	1

Employer contributions of up to 10% are made paid to a defined contribution pension plan on behalf of employees of the organisation.

None of the Trustees received any remuneration during the year, nor were they re-imbursed for any expenses.

Key Management Remuneration

Key management personnel include the Executive Administrator, Executive Secretary, Director of Communications and Finance Manager for whom the total remuneration cost was €384,572 (2014: €390,000) in the year.

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

7. TANGIBLE FIXED ASSETS

	Equipment and Fittings €	Total €
COST		
At 1 January 2015	393,308	393,308
Additions	16,613	16,613
Disposals	(101,089)	(101,089)
At 31 December 2015	<u>308,832</u>	<u>308,832</u>
DEPRECIATION		
At 1 January 2015	381,590	381,590
Charge for the year	9,306	9,306
Disposals	(101,089)	(101,089)
At 31 December 2015	<u>289,807</u>	<u>289,807</u>
NET BOOK VALUE		
At 31 December 2015	<u>19,025</u>	<u>19,025</u>
At 31 December 2014	<u>11,718</u>	<u>11,718</u>

8. FINANCIAL ASSETS

	2015 €	2014 €
Valuation at start of year	3,234,463	1,107,087
Additions	281,097	1,865,619
Disposals	(1,245,613)	(30,613)
Realised Gain	174,619	6,369
Unrealised (Loss)/ Gain	(26,315)	286,001
Valuation at end of year	<u>2,418,251</u>	<u>3,234,463</u>

Investments are stated at market value and are invested in a combination of bonds, equity, absolute return and property.

9. DEBTORS

	2015 €	2014 €
Prepaid expenses and other debtors	1,284,679	1,134,675
Term Loan - Veritas	1,255,791	70,000
	<u>2,540,470</u>	<u>1,204,675</u>

10. CREDITORS

	2015 €	2014 €
Approved commission allocations and accrued expenses	401,570	282,714
Payroll taxes	50,241	39,568
	<u>451,811</u>	<u>322,282</u>

11. PENSIONS

The Irish Episcopal Conference operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the Irish Episcopal Conference in independently administered funds. The pension costs charged in respect of the scheme for the year was €100,099 (2014 - €99,490).

12. UNRESTRICTED FUNDS

	Opening Balance €	Receipts €	Expenditure €	Transfer between funds €	Closing Balance €
General Unrestricted funds	4,315,701	2,084,385	(2,197,300)	-	4,202,786

Unrestricted funds are funds that have been raised by the Trust and which may be used at the discretion of the Trust in furtherance of the objects of the charity.

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

13. RESTRICTED FUNDS

	Opening Balance €	Receipts €	Expenditure €	Transfer between funds €	Closing Balance €
Episcopal Council for Emigrants	161,599	223,932	(81,052)	(14,877)	289,602
Episcopal Conference for Immigrants	-	30,000	(30,000)	-	-
Episcopal Council for Emigrants SIA Fund	92,028	-	(106,905)	14,877	-
Irish Council for Prisoners Overseas	192,350	126,730	(169,132)	-	149,948
Episcopal Conference Drugs Initiative	-	89,750	(76,258)	-	13,492
Education Office	5,659	-	-	-	5,659
Irish Council for Justice & Peace	-	30,000	(30,000)	-	-
Hierarchy Retirement Fund	-	568,061	(568,061)	-	-
Year of Vocation	17,563	-	-	-	17,563
CCSS "Towards Healing"	-	1,450,000	(1,450,000)	-	-
Linacre Centre	-	60,000	(60,000)	-	-
Holy See	-	136,500	(136,500)	-	-
Eucharistic Congress	147,720	-	(40,069)	-	107,651
Council for Healthcare	15,473	10,700	(17,415)	-	8,758
Towards Peace	40,560	-	(40,560)	-	-
Pilgrimage Fund	292,831	3,509	-	-	296,340
	965,783	2,729,182	(2,805,952)	-	889,013

14. RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2015 €	2014 €
Net (outgoing) /incoming resources	(189,685)	616,091
Depreciation	9,306	11,676
Interest and investment income	(178,860)	(24,709)
Unrealised Loss /(Gain) on Investments	26,315	(286,001)
Increase in debtors	(1,335,795)	(381,026)
Increase in creditors	129,529	(616,332)
Net cash outflow from operating activities	(1,539,191)	(680,301)

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

15. ANALYSIS OF CASHFLOWS FOR HEADINGS NETTED IN CASHFLOW STATEMENT

15.1 RETURNS ON INVESTMENT AND SERVICING OF FINANCE

	2015	2014
	€	€
Deposit Interest and other Investment income received	4,241	18,340

15.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2015	2014
	€	€
Payments to acquire tangible fixed assets	(16,613)	(7,736)
Payments to acquire Investments	(281,097)	(1,865,619)
Receipts from sale of Investments	1,245,613	30,613
	947,903	(1,842,742)

16. ANALYSIS OF CHANGES IN NET FUNDS

	31-Dec 2014	Cash Flows	31-Dec 2015
	€	€	€
Cash at bank	1,152,910	(587,046)	565,864

17. CONTINGENT LIABILITY

On the 22 May 2015, the Trustees approved a letter of comfort to Accord not exceeding €420,000, this will expire on 30 June 2016. On the 3 November 2015, the Trustees approved a further letter of comfort to Accord up to €400,000. This covers the period 26 January 2016 to 31 July 2016.

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

18. FIRST TIME ADOPTION OF FRS 102

	As previously stated 1 January 2014	Effect of transition 1 January 2014	FRS 102 (as restated) 1 January 2014	As previously stated 31 December 2014	Effect of transition 31 December 2014	FRS102 (as restated) 31 December 2014
Tangible assets	15,658	-	15,658	11,718	-	11,718
Financial assets (note 18.1)	3,153,439	(2,046,352)	1,107,087	3,430,888	(196,425)	3,234,463
	3,169,097	(2,046,352)	1,122,745	3,442,606	(196,425)	3,246,181
Debtors	823,649	-	823,649	1,204,675	-	1,204,675
Cash at Bank (note 18.1)	1,611,261	2,046,352	3,657,613	956,485	196,425	1,152,910
Creditors	(938,614)	-	(938,614)	(322,282)	-	(322,282)
Net assets	4,665,393	-	4,665,393	5,281,484	-	5,281,484
Unrestricted funds	4,197,746	-	4,197,746	4,315,701	-	4,315,701
Restricted funds	467,647	-	467,647	965,783	-	965,783
Total Funds	4,665,393	-	4,665,393	5,281,484	-	5,281,484

There is no impact on the reported surplus for 2014 on transition to FRS102.

18.1 - Under FRS102, Cash Equivalents are defined as cash deposits expiring after no more than 3 months from the financial year end which are readily convertible to cash with insignificant risk of change in value. As a result, the Trustees have reclassified cash equivalents from Investments.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Trustees on 8 June 2016.