

HIERARCHY GENERAL PURPOSES TRUST
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

HIERARCHY GENERAL PURPOSES TRUST

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

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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

+ Francis Duffy
+ John Fleming
+ Michael Smith
Derek Staveley
Stephen Costello
Sean O'Dwyer
Alice Quinn
Anthony Harbinson
Aideen McGinley
Jim McCaffrey
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. Meath

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 2016

The Trustees present their annual report and the financial statements of the Hierarchy General Purposes Trust (HGPT) for the year ended 31 December 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Hierarchy General Purposes Trust was established on 12 December 1975 and is registered as a charity (20009861). The Trust's governing document is the Trust Deed.

Principal aims

The Trust was established to assist the Irish Catholic Bishops' Conference (also known as the Irish Episcopal 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 serving throughout the year were Eamon Martin, Archbishop of Armagh, Diarmuid Martin, Archbishop of Dublin, Kieran O'Reilly, Archbishop of Cashel & Emly and Michael Neary, Archbishop of Tuam.

Governance

The governance of the HGPT is accomplished through the Irish Catholic Bishops' Conference. This is the assembly of the Bishops of Ireland and the Conference normally meets in plenary session 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 which are aimed to fulfil the mission of the Church. The day to day operations of Conference are overseen by a secretariat based in Maynooth, County Kildare.

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 eight 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 2016

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

COMMISSION FOR PASTORAL CARE

The Commission for Pastoral Care, chaired by Bishop Éamonn Walsh, continued to assist the Irish Catholic Bishops' Conference (ICBC), in supporting the Church's pastoral mission. Committed to integral human development, working for the growth of a culture of respect for life, health and the environment, it supported person-centred care for those seeking pastoral assistance including services for the most vulnerable, those experiencing difficulty, and on the margins. The publication of the post-synodal apostolic exhortation by Pope Francis: *Amoris Laetitia - The Joy of Love : on Love in the Family*, whose rich reflectiveness on marriage and the family in its joys and struggles, focuses particularly on many of the concerns for pastoral care e.g. counselling, migration, associations, family movements, drug use and addiction, towards a better education for children, respecting life eternal from conception, adoption, the elderly, illness, housing, and employment.

The two best-known agencies supported by the work of the commission, are both registered charities in their own right: ACCORD: Catholic Marriage Care Service, which has 55 centres throughout Ireland (in 2016 delivered marriage education programmes to 17,108 individuals, and 30,953 counselling sessions to 7,536 clients); and CURA, which offers support services to those experiencing an unplanned pregnancy or crisis during pregnancy through its four Hubs and three Outreach services. In 2016 CURA delivered 1,565 client contacts of which 1040 were new individual clients; a total of 4021 counselling hours were provided and a Schools Awareness Programme was provided to 21 schools.

Council for Healthcare

The Council for Healthcare is working with the Bioethics and Life Questions Consultative Group on the development of a Catholic Code of Ethical Standards for Healthcare in Ireland. Thirteen candidates were granted certification as Catholic Healthcare Chaplains by the Healthcare Chaplaincy Board, which is a sub-committee of the Council. The Healthcare Chaplaincy Board granted re-accreditation to the Clinical Pastoral Education programmes at the Mater Misericordiae University Hospital and at Saint John of God Hospital. An Assembly of Catholic Healthcare Chaplains was held in Dublin in October. The Council was represented at an international conference at Vatican City in November, at the Consultation of the European Network of Healthcare Chaplains in Hungary in June, and at meetings of the HSE Multi-Faith Healthcare Chaplaincy Professional Advisory Council throughout the year.

Council for Marriage and the Family

The Council hosted a conference of engagement and facilitated conversations, on 22 October entitled, "The Joy of Love, Amoris Laetitia and the World Meeting of Families in Ireland", incorporating the launch of the preparations for World Meeting of Families 2018 (WMOF 2018) in Dublin. The conference, the largest of its kind provided an opportunity to meet and engage with different movements and associations. 750 people participated among whom were leaders, representatives of parishes, dioceses and associations, representatives of the councils, agencies and initiatives of the ICBC. It was a working in-service day for the journeys leading to the WMOF 2018, 22-26 August 2018 The Gospel of the Family: Joy for the World.

The CMF Strategic Working Group is drafting a 'Charter for the Family'. The Council created a very well received summer school study day for its members who focused on *Amoris Laetitia* in a reflective and interactive way with use of social media, audio visual materials and included times of prayer and on practical suggestions.

The CMF is cooperating with the Bishops' National Faith Development Team and with the Council for Justice and Peace and the Northern Ireland Catholic Council on Social Affairs, working on strategic approaches, supporting marriage and the family as the basic unit of a healthy society.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

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 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 1,200 Irish prisoners in thirty 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.

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. 2016 saw the Council strengthen its ties with dioceses, building parishes of welcome and safety for migrants, focusing on refugees seeking sanctuary from war and persecution in our local communities.

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. Guidelines to support and strengthen the work of migrant chaplains in every diocese in Ireland were published in April 2016.

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. Its focus is on information and awareness, education and training, and alternative activities to avoid substance misuse. It continues to mobilise communities to support individuals and families in partnership with other service agencies. Despite facing the challenge of reduced resources, it had 2,935 students and 1,740 parents availing of its services in 2016. Plans for 2017 include a family awareness programme and a partnership with the Saint John Paul II awards.

Consultative Group on Bioethics and Life Questions

A new addition to the Commission, the Consultative Group on Bioethics and Life Questions, represented by Bishop Kevin Doran, continued to work with the Council for Healthcare regarding drafting the Ethical Code for Healthcare. The drafts of the code were reviewed and amended including taking account comments of Trustees of Catholic hospitals and consultations with experts in healthcare, law and ethics. The Consultative Group explored the possibility of establishing undergraduate, post-graduate and in-service education in which the code would be an essential reference text.

The Consultative Group collaborated with the Pro-Life Task Group and with the Council for Catechetics. Bishop Doran maintains contact with the 'Day for Life' representatives of the episcopal conferences of England & Wales, and Scotland. The 2016 'Day for Life' pastoral message focused on the connection between ecology and human life.

Having consulted with lay women and men, the Bishops' Conference responded to the invitation of the Citizens' Assembly and made a submission assisted by the Consultative Group on the topic of Article 40.3.3 of the Constitution of Ireland entitled, Two Lives, One Love, Submission to the Citizens' Assembly by the Irish Catholic Bishops' Conference.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

COMMISSION FOR WORSHIP, PASTORAL RENEWAL AND FAITH DEVELOPMENT

The work of this Commission is informed by the reflections, activities and proposals that 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 Donal McKeown, Bishop of Derry, and it considers matters presented by its constituent councils and makes recommendations to the Bishops' Conference.

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

- the public worship of God;
- the development of vibrant communities of believers; and,
- the 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 and the arts in service of worship (Council for Liturgy) and community services and development agencies, mainly locally, through pastoral centres, community partnerships and projects (Council for Pastoral Renewal & 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 the interdependency of persons and communities, the promotion of justice, the work of charity, responsible citizenship, and care for the earth.

COMMISSION FOR SOCIAL ISSUES AND INTERNATIONAL AFFAIRS

This Commission is chaired by Archbishop Diarmuid Martin, Archbishop of Dublin.

The Commission comprises, the Council for Justice and Peace (CJP), Trócaire, a registered charity in its own right, the Council for Missions and the Council for Europe.

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 CJP, advising the Northern Bishops on matters of social policy in Northern Ireland.

During 2016, CJP and NICCOSA have worked on the following issues: migrants and refugees; human trafficking; violence in the Middle East; the persecution of Christians; inter-religious dialogue; housing; issues facing Irish Travellers; the challenges arising from the Brexit process; the promotion of the 2015 papal encyclical *Laudato Si'* and on environmental issues; and reconciliation in Northern Ireland. The CJP has participated in meetings or projects, made submissions and issued statements on each of these areas of concern in 2016.

COMMISSION FOR CATHOLIC EDUCATION AND FORMATION

The Commission for Catholic Education and Formation focuses on policy direction relating to education and catechesis in conjunction with the Catholic Education Service Committee.

The Commission is chaired by Bishop Brendan Leahy, Bishop of Limerick. The Commission itself comprises of the Council for Education (with the Northern Ireland Commission for Catholic Education); the Council for Catechetics; the Council for Doctrine; the Council for Ecumenism.

The Commission continued to engage with the issues of school divesting and the religious education curriculum in Community National Schools, the latter being a matter for both the Council for Education and the Council for Catechetics. The NCCA consultation on Education on Religion, Beliefs and Ethics was also engaged with. These matters were discussed with the new Minister for Education and Skills at a meeting in July.

A major area for consideration by the Council for Education and the Catholic Primary Schools Management Association (CPSMA) was school enrolment and faith based admissions.

Other education matters to the fore were the Deed of Variation, Leases for new Schools, the use of schools by non-educational groups outside school hours, insurance policies for schools built as PPPs (Public Private Partnerships) and the extension of the Financial Services Support Unit (FSSU) to the primary school sector.

2016 was the Extraordinary Jubilee Year of Mercy and, in that context, the theme for Catholic Schools Week 2016 was 'Catholic Schools: Challenged to Proclaim God's Mercy'.

A successful launch was held at Mount Mercy Secondary School in Cork. The Doctrine Commission also prepared a collection of essays on the theme of Mercy.

HIERARCHY GENERAL PURPOSES TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

COMMISSION FOR PLANNING, COMMUNICATIONS AND RESOURCES

The Commission for Planning, Communications and Resources comprises the Council for Communications; Veritas; the Council for Research and Development; and the Finance and General Purposes Council. This Commission is chaired by Bishop John Fleming, Bishop of Killala.

Under the Council for Communications (CCO), the CCO assists in promoting the mission of the Gospel through training and communications support as well as with engagement in the mass media 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 published ten times per year by Veritas.

The CCO published 312 press releases during 2016, and hosted numerous press briefings on 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.

As the official publisher of the Irish Catholic Bishops' Conference, Veritas publishes general religious books, liturgical texts in Irish and English, and catechetical texts. A new website was launched (www.intecommagazine.ie) to host a searchable archive of previously published issues of Intercom going back to 1972.

The Council for Research & 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, audit and risk management.

FINANCIAL REVIEW

Income and expenditure

In 2016 the income of the Trust from all sources was €4,707,725 (2015: €4,813,567). 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 to the Counselling support services of Towards Healing, 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 €4,792,680 (2015: €5,003,252). 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 €84,955; (2015: deficit €189,685).

The Balance Sheet shows total reserves of €5,006,844 (2015: €5,091,799). Of this, €1,071,044 (2015: €884,842) 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 2016

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. 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.

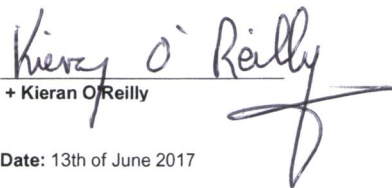
PLANS FOR THE FUTURE

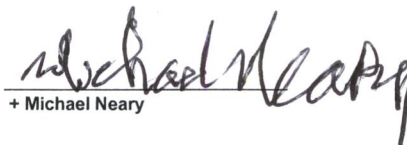
The Trust is continuing with its programme of works to meet its objectives and to ensure that it conforms to all best practice guidelines for a not for profit entity.

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: 13th of June 2017

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 2016, on pages 11 to 21. 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 2016 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 2016 and of its incoming resources and application of resources for the year ended on that date.

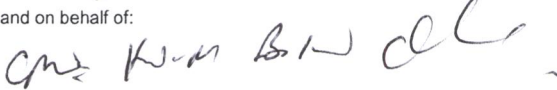
MATTERS ON WHICH WE ARE REQUIRED TO REPORT

- 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: 16 Dec 2017

HIERARCHY GENERAL PURPOSES TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015
INCOME					
Donations	1a	1,830,580	2,671,701	4,502,281	4,555,636
Income from charitable activities	1c	16,943	-	16,943	10,201
Income from Investments	1d	161,996	1,505	163,501	247,730
Other Income	1e	-	25,000	25,000	-
Total		2,009,519	2,698,206	4,707,725	4,813,567
EXPENDITURE ON:					
Raising funds	2	(10,709)	-	(10,709)	(9,911)
Charitable activities	3	(2,269,967)	(2,512,004)	(4,781,971)	(4,993,341)
Total		(2,280,676)	(2,512,004)	(4,792,680)	(5,003,252)
NET MOVEMENTS IN FUNDS					
Total funds brought forward	13/14	4,206,957	884,842	5,091,799	5,281,484
TOTAL FUNDS CARRIED FORWARD	13/14	3,935,800	1,071,044	5,006,844	5,091,799

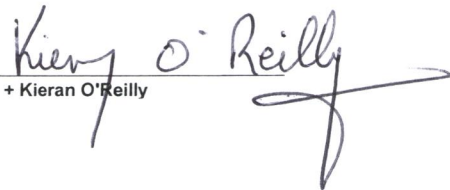
All income and expenditure arises from continuing operations. There are no recognised gains or losses other than the result for the year.

HIERARCHY GENERAL PURPOSES TRUST

BALANCE SHEET AS AT 31 DECEMBER 2016

	Notes	2016 €	2015 €
FIXED ASSETS			
Tangible assets	7	25,089	19,025
Investments	8	2,154,630	2,121,910
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	536,473	554,659
Loan to Irish College Rome	9	50,000	50,000
Term Loan - Veritas	9	500,000	1,255,791
Cash at bank and in hand		847,989	862,205
		<u>1,934,462</u>	<u>2,722,655</u>
Debtors: amounts falling due more than one year	10	1,409,430	680,020
LIABILITIES			
Creditors (amounts falling due within one year)	11	(516,767)	(451,811)
NET CURRENT ASSETS			
		<u>2,827,125</u>	<u>2,950,864</u>
TOTAL NET ASSETS			
		<u>5,006,844</u>	<u>5,091,799</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds	13	3,935,800	4,206,957
Restricted income funds	14	1,071,044	884,842
TOTAL CHARITY FUNDS			
		<u>5,006,844</u>	<u>5,091,799</u>

The financial statements were approved by and authorised by the Trustees on 13th of June 2017 and signed on its behalf by:


+ Kieran O'Reilly


+ Michael Neary

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 stated at market value.

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 2016

	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
1. INCOMING RESOURCES				
1 (a) DONATIONS				
Diocesan Contributions	1,829,930	-	1,829,930	1,829,963
Care of retired Bishops	-	573,782	573,782	568,061
CCSS T/A "Towards Healing"	-	1,199,988	1,199,988	1,450,000
Irish Bishops' Drugs Initiative (IBDI)	-	99,750	99,750	89,750
Irish Council for Prisoners Overseas (ICPO)	-	168,153	168,153	126,730
Council for Emigrants	-	269,432	269,432	223,932
Council for Immigrants	-	30,000	30,000	30,000
Council for Justice & Peace	-	30,000	30,000	30,000
Anscombe	-	59,999	59,999	60,000
Holy See (Universal Church)	-	136,500	136,500	136,500
Council for Communications	-	20,926	20,926	-
Finance and General Purposes Council	-	22,937	22,937	-
Executive Administration Council	-	13,316	13,316	-
Council for Catechetics	650	35,000	35,650	-
Council for Healthcare	-	11,918	11,918	10,700
	1,830,580	2,671,701	4,502,281	4,555,636
1 (b) GOVERNMENT GRANT INCOME				
Included within donations are the following grants received during the year:				
			2016 €	2015 €
HSE (IBDI Grant)			69,750	69,750
Department of Foreign Affairs and Trade - Emigrant Support Programme:				
ICPO Caseworker Grant - (1 July 2016 - 30 June 2017)			55,265	85,730
ICPO Hardship Fund - (1 July 2016 - 30 June 2017)			40,000	35,000
ICPO Project Grants - (1 July 2016 - 30 June 2017)			2,500	6,000
			167,515	196,480
	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
1 (c) INCOME FROM CHARITABLE ACTIVITIES				
Royalties	16,943	-	16,943	10,201
	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
1 (d) INCOME FROM INVESTMENTS				
Interest earned on deposits	83	1,505	1,588	4,241
Loan Interest Receivable	36,000	-	36,000	23,619
Miscellaneous	13,616	-	13,616	43,169
Rental Income	32,403	-	32,403	28,397
Gain on Investments	79,894	-	79,894	148,304
	161,996	1,505	163,501	247,730
	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
1 (e) OTHER INCOME				
Insurance Claim Awards	-	25,000	25,000	-
	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
2. RAISING FUNDS				
Staff costs	7,000	-	7,000	7,000
Support costs (note 4)	1,609	-	1,609	714
Governance costs (note 5)	2,099	-	2,099	2,197
	10,709	-	10,709	9,911

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
3. DIRECT CHARITABLE EXPENDITURE				
Commission for Planning, Communications and Resources	775,797	57,179	832,976	781,425
Commission for Pastoral Care	317,562	454,543	772,105	827,021
Commission for Social Issues and International Affairs	98,920	30,000	128,920	105,395
Commission for Worship, Pastoral Renewal and Faith Development	160,557	-	160,557	174,773
Commission for Catholic Education and Formation	262,116	35,000	297,116	324,109
CCSS T/A "Towards Healing"	-	1,200,000	1,200,000	1,450,000
Care of retired Bishops	-	573,782	573,782	568,061
Holy See (Universal Church)	-	136,500	136,500	136,500
National Eucharistic Congress	-	-	-	40,069
National Board for Safeguarding Children	289,723	-	289,723	298,612
Support Costs (note 4)	151,286	25,000	176,286	67,202
Integrity of Ministry	6,122	-	6,122	2,631
Governance Costs (note 5)	207,885	-	207,885	217,543
	2,269,967	2,512,004	4,781,971	4,993,341

3.1 GRANT FUNDING ACTIVITIES

Included within direct charitable expenditure are the following grants by activity:

	Grants to Institutions		
	€	2016 €	2015 €
Commission for Planning, Communications and Resources	3,301	3,301	7,841
Commission for Pastoral Care	25,500	25,500	33,072
Commission for Social Issues and International Affairs	45,174	45,174	41,087
Commission for Worship, Pastoral Renewal and Faith Development	25,000	25,000	33,756
Commission for Catholic Education and Formation	38,062	38,062	63,116
Anscombe	59,999	59,999	60,000
Holy See (Universal Church)	136,500	136,500	136,500
National Board for Safeguarding Children	289,723	289,723	298,612
CCSS T/A "Towards Healing"	1,200,000	1,200,000	1,450,000
	1,823,259	1,823,259	2,123,984

The only material grants made during the year relate to an amount paid to Coimirce amounting to €289,723 (2015: €298,612) and CCSS T/A Towards Healing amounting to €1,200,000 (2015: €1,450,000).

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	42,144	421	39,615	2,107	Staff Time
Ill Health Early Retirement Costs	25,000	-	25,000	-	Staff Time
Office Costs	118,798	1,188	111,670	5,940	Staff Time
	185,942	1,609	176,286	8,047	

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

5. OTHER EXPENDITURE

		Raising Funds €	Charitable activities €	2016 €	2015 €
Governance Costs	(note 5.1)	2,019	199,918	201,937	216,166
Support Costs	(note 4)	80	7,967	8,047	3,575
		2,099	207,885	209,984	219,741

5.1 Governance costs

	2016 €	2015 €
Episcopal Conference Bishops Expenses	29,615	24,791
Legal and Professional fees	145,146	165,127
Audit	27,176	26,248
	201,937	216,166

6. STAFF AND STAFF COSTS

The average number of employees during the year was 36 (2015 - 34). The aggregate amounts paid to or on behalf of the staff are as follows:

	2016 €	2015 €
Wages and salaries	1,269,034	1,286,930
Social welfare costs	137,715	138,359
Ill Health Early Retirement Costs	25,000	-
Pension costs	108,178	100,099
	1,539,927	1,525,388

During the year the Trust facilitated the early retirement of an employee on the grounds of ill health at a cost of €25,000. This early retirement cost has been recognised in the year and was fully paid by the year end.

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

	2016	2015
Salary Range		
€70,000 - €80,000	1	1
€100,001 - €110,000	-	-
€110,001 - €120,000	2	1
€120,001 - €130,000	-	1

Employer contributions of up to 14% 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 costs was €376,578 (2015: €384,572) in the year.

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

7. TANGIBLE FIXED ASSETS

	Equipment and Fittings €	Total €
COST		
At 1 January 2016	308,832	308,832
Additions	19,800	19,800
Disposals	(67,406)	(67,406)
At 31 December 2016	<u>261,226</u>	<u>261,226</u>
DEPRECIATION		
At 1 January 2016	289,807	289,807
Charge for the year	13,736	13,736
Disposals	(67,406)	(67,406)
At 31 December 2016	<u>236,137</u>	<u>236,137</u>
NET BOOK VALUE		
At 31 December 2016	<u>25,089</u>	<u>25,089</u>
At 31 December 2015	<u>19,025</u>	<u>19,025</u>

8. FINANCIAL ASSETS

	2016 €	2015 €
Valuation at start of year	2,121,910	3,234,463
Additions	123,182	281,097
Disposals	(160,784)	(1,541,954)
Realised Gain	23,082	174,619
Unrealised (Loss)/ Gain	47,240	(26,315)
Valuation at end of year	<u>2,154,630</u>	<u>2,121,910</u>

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

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 €	2015 €
Prepaid expenses and other debtors	536,473	554,659
Term Loan - Veritas	500,000	1,255,791
Loan to Irish College Rome	50,000	50,000
	<u>1,086,473</u>	<u>1,860,450</u>

10. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 €	2015 €
Loan to Irish College Rome	630,020	680,020
Term Loan - Veritas	779,410	-
	<u>1,409,430</u>	<u>680,020</u>

11. CREDITORS

	2016 €	2015 €
Approved commission allocations and accrued expenses	480,846	401,570
Payroll taxes	35,921	50,241
	<u>516,767</u>	<u>451,811</u>

12. 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 €108,178 (2015 - €100,099).

13. UNRESTRICTED FUNDS

	Opening Balance €	Receipts €	Expenditure €	Transfer between funds €	Closing Balance €
General Unrestricted funds	4,206,957	2,009,519	(2,280,676)	-	3,935,800

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 2016

14. RESTRICTED FUNDS

	Opening Balance €	Receipts €	Expenditure €	Transfer between funds €	Closing Balance €
Council for Emigrants	289,602	269,432	(78,473)	-	480,561
Council for Immigrants	-	30,000	(30,000)	-	-
Council for Emigrants SIA Fund	-	-	(19,345)	-	(19,345)
Irish Council for Prisoners Overseas (ICPO)	145,777	168,153	(162,305)	-	151,625
Irish Bishops' Drugs Initiative (IBDI)	13,492	99,750	(91,150)	-	22,092
Education Office	5,659	-	-	-	5,659
Council for Justice & Peace	-	30,000	(30,000)	-	-
Care of retired Bishops	-	573,782	(573,782)	-	-
Year of Vocation	17,563	-	-	-	17,563
CCSS "Towards Healing"	-	1,199,988	(1,200,000)	-	(12)
Anscombe	-	59,999	(60,000)	-	(1)
Holy See (Universal Church)	-	136,500	(136,500)	-	-
Eucharistic Congress	107,651	-	-	-	107,651
Council for Healthcare	8,758	11,918	(13,270)	-	7,406
Council for Communications	-	20,926	(20,926)	-	-
Finance & General Purposes Council	-	22,937	(22,937)	-	-
Council for Executive Administration	-	13,316	(13,316)	-	-
Council for Catechetics	-	35,000	(35,000)	-	-
Pilgrimage Fund	296,340	1,505	-	-	297,845
Insurance Claim Awards	-	25,000	(25,000)	-	-
	884,842	2,698,206	(2,512,004)	-	1,071,044

15. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2016 €	2015 €
Net (expenditure) for the reporting period (as per the statement of financial activities)	(84,955)	(189,685)
Adjustments for:		
Depreciation charges	13,736	9,306
Interest from investments	(31,128)	(178,860)
Loss/(Gain) on Investments	(47,240)	26,315
(Increase)/decrease in debtors	68,186	(150,004)
(Increase) in debtor - term loan	(23,619)	(1,185,791)
Increase/(decrease) in creditors	64,956	129,529
Net cash provided by operating activities	(40,064)	(1,539,189)

HIERARCHY GENERAL PURPOSES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

16. ANALYSIS OF CASHFLOWS FOR HEADINGS NETTED IN CASHFLOW STATEMENT

16.1 RETURNS ON INVESTMENT AND SERVICING OF FINANCE

	2016 €	2015 €
Deposit Interest	1,588	4,241

16.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2016 €	2015 €
Payments to acquire tangible fixed assets	(19,800)	(16,613)
Payments to acquire Investments	(123,182)	(281,097)
Receipts from sale of Investments	167,242	1,245,613
	24,260	947,903

17. ANALYSIS OF CHANGES IN NET FUNDS

	31-Dec 2015 €	Cash Flows €	31-Dec 2016 €
Cash at bank	862,205	(14,216)	847,989

18. CONTINGENT LIABILITY

On the 23 May 2016, the Trustees approved a letter of comfort to Accord not exceeding €420,000, this will expire on 30 June 2017. On the 19 December 2016, the Trustees approved a letter of comfort to Accord not exceeding €400,000, this will expire on 31 July 2017.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Trustees on 13th June 2017.