



The Representative Body of the
Church of Ireland
Supporting and serving the church community

RB GENERAL UNIT TRUST (NORTHERN IRELAND)

Summary of Annual Report and Financial Statements

Year ended 30 June 2016

WHO MAY INVEST IN THE RB GENERAL UNIT TRUST (NI)

The RB General Unit Trust (NI) is open to charitable trusts donated and bequeathed to, or accepted by, The Representative Church Body (RCB) for specific/general purposes of the Church of Ireland and for parishes and dioceses in Northern Ireland.

It is also open to trust funds administered by trustees other than the RCB where the specific purposes of the trusts are for the benefit of the Church of Ireland.

The RCB must receive all necessary documentation/information (copy of will or governing instrument, terms of trust, etc) prior to date of investment.

In some instances the RCB may request a disclaimer to be completed by a parish, diocese or other trust fund prior to investment in order to indemnify The Representative Church Body in its role as trustee, fund manager and administrator.

Inquiries or clarification on the acceptance of new trusts should be addressed to the Head of Trusts, The Representative Church Body, Church of Ireland House, Church Avenue, Rathmines, Dublin 6 (telephone + 353 1 4978422).

RB GENERAL UNIT TRUST (NI)

STATUS

The Trust was established on 1 January 1991 under a Deed of Trust granted by the Department of Finance and Personnel, Stormont, Belfast, in accordance with the statutory provisions of Section 25 of the Charities Act, (Northern Ireland) 1964.

FUND OBJECTIVE

To at least maintain the capital value of the Fund in real terms over time while paying a stable, sustainable and competitive distribution rate.

VALUATION

The Trust portfolio is valued at market prices at the end of each month and the price of new units acquired reflects the income accrued by the Trust in the period.

PURCHASES/SALES

Units in the Trust may be bought or sold on the first day of every month. Income acquired on new units on any issue date is reflected in the unit distribution at the end of the distribution period. Income accrued since the previous distribution date is not reflected in the price of a unit when units are sold.

CHARGES

A charge of 1% to cover market transaction costs is included in the purchase price of new units. No charge is made on unit sales.

The costs of administering the Trust are borne by The Representative Church Body. However, in order to defray these costs, a 0.2% charge on the capital value of the Trust is taken from income (in accordance with the Trust Deed approved by the Department of Finance and Personnel).

TRUSTEE AND MANAGER

The Representative Church Body (which is an incorporated trustee body for the Church of Ireland with full charitable status) is Trustee under the terms of the Trust Deed approved by the Department of Finance and Personnel.

The Investment Committee of The Representative Church Body, and its investment team, formulate investment policy and manage the Trust on behalf of the Trustee.

MANAGER'S REPORT – YEAR ENDED 30 JUNE 2016

Investment Performance

During the period under review the capital value of the Fund rose by 11.1% while the total return (capital and income) was 14.9%. This compares favourably with the fund benchmark of 11.9% aided by the lower risk profile within the portfolio. The asset allocation and sector selection contributed to the outperformance. In particular, limited exposure to banks and autos helped as did the exposure to precious metals. Over longer time periods the fund is also ahead of benchmark. This can be viewed as highly satisfactorily as the risk profile has been substantially lower over the timeframe.

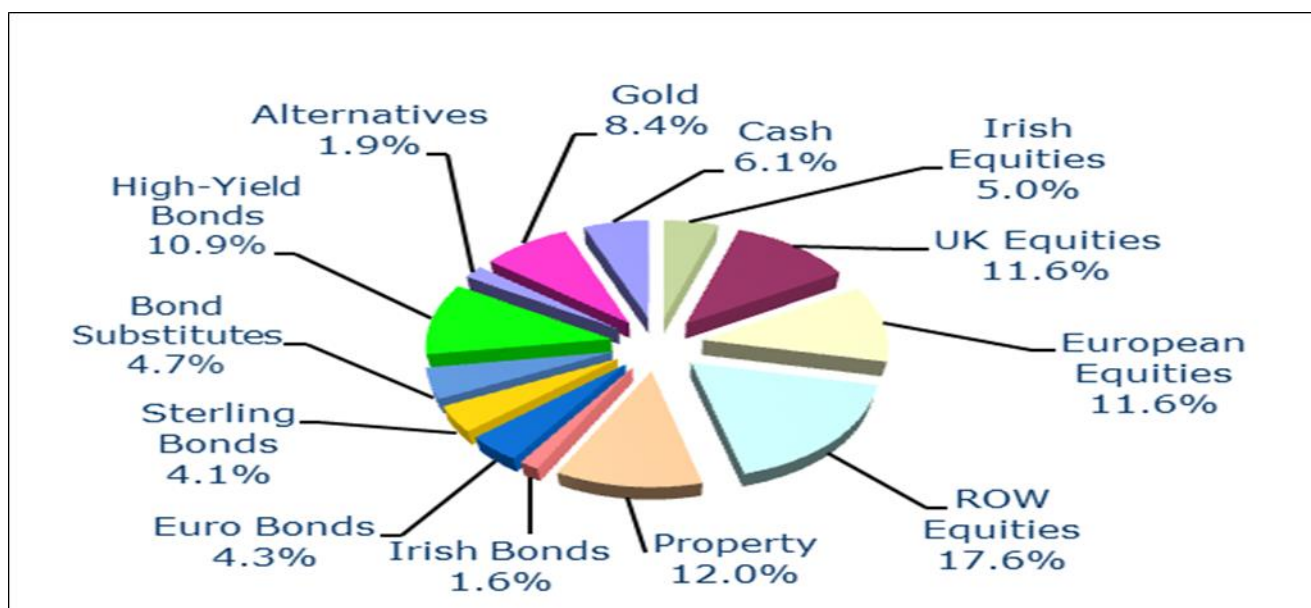
Annualised returns of the Trust compared with the Fund Benchmark and inflation over the past five years were:

Annualised Total Returns %	1 Year	3 Years	5 Years
RB General Unit Trust (NI)	14.9	9.3	9.8
Benchmark*	11.9	10.1	8.3
RB General Unit Trust (NI) Capital	11.1	5.3	5.5
UK Inflation (CPI)	0.5	0.8	1.5

* Benchmark from 1 January 2014: Equities 70%: 2/3 Stoxx Europe 600; 1/3 S&P 500
Bonds 30%: Sterling Broad Market

Portfolio Composition

The investment profile of the Trust (by value at 30 June 2016) is displayed in the following chart:



The ten largest holdings at 30 June 2016 were:

	% of Fund		% of Fund
Cash	6.1	Bank of Ireland 10.1% Pref	2.3
Irish Property Unit Trust	5.0	Barclays 5.75% 2026	2.2
Avenue Properties (NI)	4.1	Gold SPDR ETF	2.1
AIB 12.5% 2035	3.5	JPM 6.3% perpetual	2.1
Vaneck Gold Miners ETF	3.0	Fairfax Financial Holdings	1.9

Unit Details

Date	Unit Value (Pence)	Number of units in issue	Fund Value
30 June 2015	310.14 p	14,356,184	£44.525m
30 June 2016	344.59p	14,342,241	£49.422m

Income Distributions

The ex dividend and payment dates and the pence per unit paid by the Trust in the year ended 30 June 2016 were:

Half year to	XD date	Payment date	Pence per unit
31 December 2015	30/11/15	31/12/15	4.3p (4.3p)
30 June 2016	31/05/16	30/06/16	6.0p (6.0p)

As shown above, income distributions totalling 10.3 pence per unit were paid in the year ended 30 June 2016 (year ended 30 June 2015, 10.3 pence).

Dividend Policy

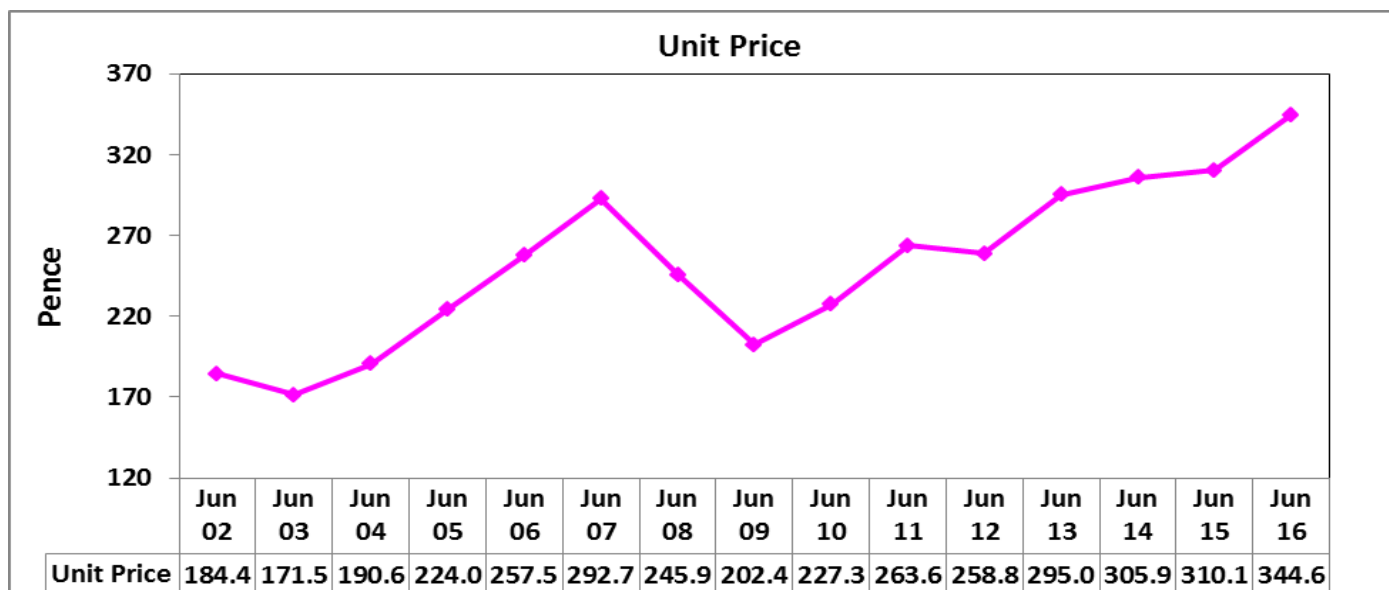
The Trust has a dividend reserve policy that targets a level of 2% of Fund value. The Dividend Equalisation Reserve (DER) will not be allowed to exceed 4% of Fund value and at least 80% of net income in any individual year will be distributed to unit holders. A healthy reserve aids the management of a stable and sustainable distribution going forward.

Corporate earnings were mixed during the year with dividend increases in some sectors offset by declines in others. The Trust agreed to maintain its interim distribution at 4.3 pence and its final distribution at 6.0 pence. There was a modest draw on the Dividend Equalisation Reserve (£0.01m) resulting in a DER of £0.92m or 1.87% of the net asset value of the fund.

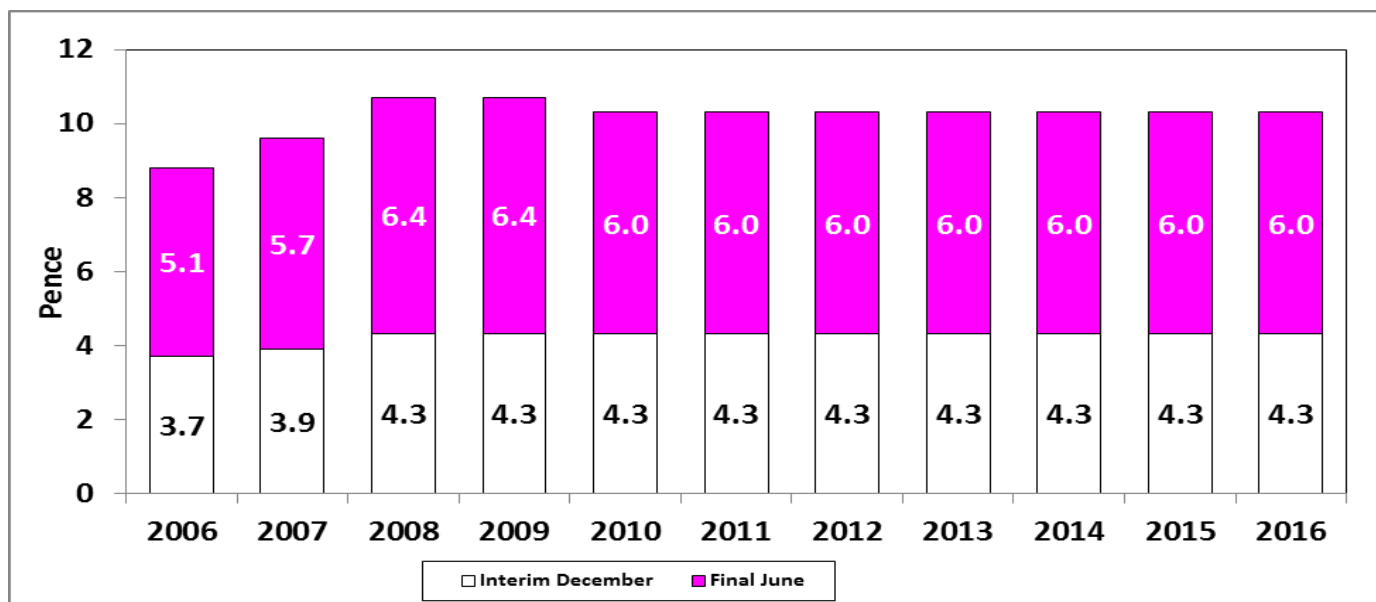
Current Yield

Based on the value of a unit at 30 June 2016 of £3.45, and a full year distribution of 10.3 pence, the distribution yield was 2.99%. (The comparative figures for 30 June 2015 showed a yield of 3.32% based on a unit value then of £3.10 and a full year distribution of 10.3 pence). *Note: As the price of a unit increases the distribution yield falls.*

PERFORMANCE STATISTICS (Unit Value in Pence)



Income Distributions (2006 – 2016) - Financial Year-End 30 June



A cash investment of £1,000 on 1 January 1991 (date of inauguration)

- would have bought 1,000 units
- was worth £3,446 at 30 June 2016 – an increase of 245%
- has increased its income from £60 p.a. in the first year to £103 p.a. in the financial year ended 30 June 2016 – an increase of 72%

A cash investment of £1,000 on 1 July 2016

- would have bought 286.5 units (based on the offer price of 349.04 pence)
- will provide an expected annual income of circa £30 in the first year (based on an interim distribution of 4.3 pence and an *estimated* final dividend of 6.0 pence)

Past performance is not necessarily a guide to the future and the value of the units can go down as well as up.

ACCOUNTS

The accounts of the Trust are audited by PricewaterhouseCoopers, Chartered Accountants and Registered Auditors. The following abstract from the audited figures summarises the period under review.

INCOME AND DISTRIBUTION

	2016	2015
	£'000	£'000
<i>Income</i>	1,566	1,793
<i>Expenses</i>	<u>(8)</u>	<u>(9)</u>
<i>Net Income available for distribution</i>	1,558	1,784
<i>Distribution</i>	<u>(1,569)</u>	<u>(1,571)</u>
<i>(Deficit)/Surplus Income after distribution</i>		213
<i>Transfer to/(from) Dividend Equalisation Reserve</i>	<u>(11)</u>	<u>213</u>

BALANCE SHEET

	2016	2015
	£'000	£'000
<i>Investments at Market Value</i>	<u>47,010</u>	<u>42,948</u>
<i>Current Assets</i>		
<i>Debtors</i>	1,759	2,251
<i>Cash at Bank</i>	<u>2,533</u>	<u>2,378</u>
	4,292	4,629
<i>Current Liabilities</i>		
<i>Financial Instruments</i>	(908)	(712)
<i>Creditors</i>	(49)	(1,408)
<i>Net Current Assets</i>	<u>3,335</u>	<u>(2,120)</u>
<i>Trust Capital Fund</i>	<u>50,345</u>	<u>45,458</u>

Copies of the audited accounts with full portfolio details can be obtained by writing to the Chief Officer and Secretary of The Representative Church Body.

HJ Saville
Chairman of Investment Committee
19 September 2016

TRUST DEED

Dated 19 February 1992
[Section 25 of Charities Act
(Northern Ireland) 1964]

TRUSTEE

The Representative Church Body
Church of Ireland House
Church Avenue
Rathmines
Dublin 6

Telephone: +353 1 4978422
invest@rcbdub.org

AUDITORS

PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1

BANKERS

Bank of Ireland
Baggot Street
Dublin 2

**RCB INVESTMENT COMMITTEE
(at 19 September 2016)**

Mr Henry Saville (Chairman)

Mr Tim McCormick	Ms Hilary Prentice
Mr Terence Forsyth	Mr Roy Benson
Mr David Smith	Mr Kevin Bowers