

Church of Ireland Pensions Board – Report 2008

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
FUND ACCOUNT **YEAR ENDED 31 DECEMBER 2007**
FINANCIAL STATEMENTS **PAGE 11**

CONSOLIDATED FUND

	Notes	2007 €000	2006 €000
CONTRIBUTIONS AND OTHER RECEIPTS			
Contributions receivable	3	4,728	4,614
BENEFITS AND OTHER PAYMENTS			
Benefits payable	4	7,093	7,241
Administrative expenses payable to the Trustee		200	179
		<u>7,293</u>	<u>7,420</u>
CONTRIBUTIONS LESS BENEFITS		<u>(2,565)</u>	<u>(2,806)</u>
INVESTMENT RETURN FOR THE YEAR			
Investment income	5	3,057	2,780
Realised and unrealised investment (loss)/gain		(7,266)	8,604
Currency translation adjustment		(5,010)	1,106
Investment management expenses		(257)	(288)
		<u>(9,476)</u>	<u>12,202</u>
NET (DECREASE)/INCREASE IN FUND FOR YEAR		<u>(12,041)</u>	<u>9,396</u>
BALANCE 1 JANUARY		<u>133,320</u>	<u>123,924</u>
BALANCE 31 DECEMBER		<u><u>121,279</u></u>	<u><u>133,320</u></u>

The Fund has no recognised gains or losses other than those dealt with in the Fund Account.

Signed on behalf of the Trustee: *S Gamble*

DG Perrin

Date: 11 March 2008

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THE CHURCH OF IRELAND CLERGY PENSIONS FUND
NET ASSETS STATEMENT **YEAR ENDED 31 DECEMBER 2007**
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CONSOLIDATED FUND			
	Notes	2007	2006
		€000	€000
INVESTED ASSETS	6	120,362	132,666
CURRENT ASSETS			
Amounts due from the Representative Church Body		1,058	814
CURRENT LIABILITIES			
Creditors		(141)	(160)
NET CURRENT ASSETS		917	654
BALANCE OF FUND		121,279	133,320
Signed on behalf of the Trustee:	<i>S Gamble</i>		
	<i>DG Perrin</i>		
Date: 11 March 2008			

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THE CHURCH OF IRELAND CLERGY PENSIONS FUND
YEAR ENDED 31 DECEMBER 2007
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REPUBLIC OF IRELAND SUBDIVISION

	Notes	2007	2006
		€000	€000
CONTRIBUTIONS AND OTHER RECEIPTS			
Contributions receivable	3	2,211	2,077
Transfers from Northern Ireland subdivision		343	534
		<u>2,554</u>	<u>2,611</u>
BENEFITS AND OTHER PAYMENTS			
Benefits payable	4	3,067	2,928
Transfers to Northern Ireland subdivision		402	83
Administrative expenses		199	178
		<u>3,668</u>	<u>3,189</u>
CONTRIBUTIONS LESS BENEFITS		<u>(1,114)</u>	<u>(578)</u>
INVESTMENT RETURN FOR THE YEAR			
Investment income		1,252	1,061
Realised and unrealised investment (loss)/gain		(6,504)	5,863
Investment management expenses		(122)	(139)
		<u>(5,374)</u>	<u>6,785</u>
NET (DECREASE)/INCREASE IN FUND FOR YEAR		<u>(6,488)</u>	<u>6,207</u>
BALANCE 1 JANUARY		<u>68,446</u>	<u>62,239</u>
BALANCE 31 DECEMBER		<u><u>61,958</u></u>	<u><u>68,446</u></u>

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NORTHERN IRELAND SUBDIVISION

	Notes	€000	€000
CONTRIBUTIONS AND OTHER RECEIPTS			
Contributions receivable	3	2,517	2,537
Transfers from Republic of Ireland subdivision		402	83
		<u>2,919</u>	<u>2,620</u>
BENEFITS AND OTHER PAYMENTS			
Benefits payable	4	4,026	4,313
Transfers to Republic of Ireland subdivision		343	534
Administrative expenses		1	1
		<u>4,370</u>	<u>4,848</u>
CONTRIBUTIONS LESS BENEFITS		<u>(1,451)</u>	<u>(2,228)</u>
INVESTMENT RETURN FOR THE YEAR			
Investment income		1,805	1,719
Realised and unrealised investment (loss)/gain		(762)	2,741
Currency translation adjustment		(5,010)	1,106
Investment management expenses		(135)	(149)
		<u>(4,102)</u>	<u>5,417</u>
NET (DECREASE)/INCREASE IN FUND FOR YEAR		<u>(5,553)</u>	<u>3,189</u>
BALANCE 1 JANUARY		64,874	61,685
BALANCE 31 DECEMBER		<u>59,321</u>	<u>64,874</u>

THE CHURCH OF IRELAND CLERGY PENSIONS FUND**NOTES TO THE FINANCIAL STATEMENTS****FINANCIAL STATEMENTS****PAGE 15****1. ACTUARIAL VALUATIONS**

The development of the Fund is monitored by the Actuary by means of an actuarial valuation which is carried out at intervals of not more than three years. The most recent valuation of the Fund was carried out as at 30 September 2006. Based on that valuation, the Actuary reported that, in common with many defined benefit schemes at this time, the Fund did not satisfy the minimum funding standards in section 44 of the Pensions Act, 1990 (Republic of Ireland).

General Synod in May 2007 approved an increase of 1.7% to 30.6% in the total contribution rate. Subsequent to this the Actuary has confirmed that in his view, as at 31 December, 2007, the fund will meet the minimum funding standard by 30 September, 2011, in accordance with a plan agreed with the Irish Pensions Board.

2. FORMAT OF THE FINANCIAL STATEMENTS

The statements summarise the transactions and net assets of the scheme. They do not take account of liabilities to pay pensions and other benefits expected to become payable in the future. The actuarial position of the fund, which taking account of such liabilities, is dealt with in the certificate supplied by the Actuary in the text of the Annual Report of the Board and these statements should be read in conjunction therewith.

3. SUMMARY OF CONTRIBUTIONS RECEIVABLE

	2007	2006
	€000	€000
<u>Republic of Ireland</u>		
Members – normal	373	339
– additional personal	208	134
Dioceses	1,120	1,127
Representative Church Body	507	460
Transfers from other funds	3	17
	<u>2,211</u>	<u>2,077</u>
<u>Northern Ireland</u>		
Members – normal	440	436
– additional personal	62	88
Dioceses	1,376	1,402
Representative Church Body	624	611
Transfers from other funds	15	-
	<u>2,517</u>	<u>2,537</u>
Total	<u>4,728</u>	<u>4,614</u>

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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4. BENEFITS PAYABLE

	2007	2006
	€000	€000
<u>Republic of Ireland</u>		
Pensions to retired bishops and clergy	1,513	1,438
Pensions to surviving spouses and orphans	1,275	1,182
Commutation of pensions	117	145
Death benefits	162	120
Transfers to other funds	-	43
	<u>3,067</u>	<u>2,928</u>
<u>Northern Ireland</u>		
Pensions to retired bishops and clergy	2,458	2,570
Pensions to surviving spouses and orphans	1,324	1,392
Commutation of pensions	176	351
Death benefits	68	-
	<u>4,026</u>	<u>4,313</u>
 Total	 <u>7,093</u>	 <u>7,241</u>

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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5. ANALYSIS OF INVESTMENT INCOME

	2007 €000	2006 €000
Fixed interest securities	247	260
Dividends from equities	2,637	2,430
Income from managed funds	17	17
Interest on cash deposits	102	59
	<u>3,003</u>	<u>2,766</u>
Other trust income	54	14
	<u>3,057</u>	<u>2,780</u>

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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6. INVESTED ASSETS

(a) Analysis of Fund Asset Values at 31 December 2007.

	2007 €000	2006 €000
<u>Listed Securities</u>		
Ireland		
Equities	9,270	14,663
Europe		
Equities	23,949	25,034
United Kingdom		
Trustee	5,194	2,664
Bonds	3,525	2,678
Equities	26,788	37,400
North America		
Equities	11,871	16,915
Latin America		
Equities	850	-
Pacific Basin		
Equities	8,807	6,687
Japan		
Equities	6,507	8,003
	96,761	114,044

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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6. INVESTED ASSETS – CONTINUED

(a) Analysis of Fund Asset Values at 31 December 2007 – continued

	2007 €000	2006 €000
<u>Unlisted Securities</u>		
Ireland		
Unit Trusts	1,723	1,828
Unit Trusts – Property	4,703	7,193
Europe		
Unit Trusts	14,125	7,713
Global		
Unit Trusts	-	534
	<u>20,551</u>	<u>17,268</u>
<u>Other Assets</u>		
Cash	3,050	1,354
	<u> </u>	<u> </u>
<u>Summary</u>		
Listed Securities	96,761	114,044
Unlisted Securities	20,551	17,268
Cash	3,050	1,354
	<u>120,362</u>	<u>132,666</u>
	<u> </u>	<u> </u>

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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6. INVESTED ASSETS – CONTINUED

(b) Concentration of Investment

One investment exceeds 5% of the net assets of the scheme, Bank of Ireland Exempt Unit Trust Balanced Bond Fund amounting to 9.4% of the net assets of the scheme at 31 December 2007.

(c) Purchases and Sales

The total amounts of purchases and sale of investments, other than cash deposits, in the year amounted to €5.2m and €6.9m respectively.

(d) Equities

There were 183 holdings of equities at the year end with a total market value of €8.04m.

The 20 largest holdings were as follows with a combined value of €28.6m, 32% of total equity holding.

	€000
Vodafone Group	2,536
BG Group	2,007
CRH	1,963
BP	1,870
HSBC Holdings	1,850
Allied Irish Banks	1,680
Royal Dutch Shell Class B Eur	1,481
Total SA	1,404
Bank of Ireland	1,404
E. On	1,312
Xstrata	1,296
Glaxosmithkline	1,208
Anglo American	1,201
National Grid	1,196
Sun Hung Kai	1,179
Royal Bank of Scotland Group	1,111
Aviva	1,069
ENI Spa	978
Wolseley	961
Sabmiller	940

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NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
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6. INVESTED ASSETS – CONTINUED

(e) Managed Funds:

The following managed funds were held at 31 December 2007:

	€000
Bank of Ireland Exempt Euro Liquidity Fund	2,792
Bank of Ireland Exempt Eurozone Government Bond Fund	11,333
Bank of Ireland Exempt Smaller Equity Fund	1,545
Irish Property Unit Trust	503
New Ireland Pensions Property Fund	4,200
New Ireland Venture Fund	178

7. CONTINGENT LIABILITIES

In the opinion of the Trustee the scheme had no contingent liabilities at 31 December 2007.

8. ADMINISTRATIVE AND INVESTMENT MANAGEMENT EXPENSES

The costs of investment management and administration are substantially borne by the Fund. The balance of these costs is borne by the Trustee.