

CHURCH OF IRELAND
THE REPRESENTATIVE CHURCH BODY
REPORT 2009

The Representative Church Body – Report 2009

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THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

Chairman

Most Rev AET Harper, Archbishop of Armagh

Committee Chairpersons

Executive	Mr S Gamble	
Allocations	Mr GC Richards	
Investment	Mr RS Neill	Most Rev
Property	Mr RH Kay	Alan Harper
Stipends	Mr HJ Saville	
Library and Archives	Mr MJT Webb	
Legal Advisory	Mr LJW MacCann SC	
Audit	Mr RS Neill	

Chief Officer and Secretary

Mr DC Reardon

The Representative Church Body (RCB) was incorporated by Charter in 1870 under the provisions of the Irish Church Act, 1869. Its legal structure is that of charitable trustee or trust corporation with perpetual succession.

The main activities of the Representative Body involve management of investments, administration of trusts and deeds of covenant, payment of stipends and pensions, property and legal transactions and treasury management as well as supporting the core work of the Church by providing finance for the sustentation of the clergy and pensioners, training of ordinands, education, youth, communications etc. The RCB Library is the repository for the archives of the Church and the Library for the Church of Ireland Theological Institute and the Church at large. The committee structure is designed to reflect these mainline activities and responsibilities.

Office

Church of Ireland House
Church Avenue
Rathmines Dublin 6
Tel 01-4978422 Fax 01-4978821
Email office@rcbdub.org
Website www.rcb.ireland.anglican.org

Library

Braemor Park
Churchtown
Dublin 14
Tel 01-4923979
Fax 01-4924770
Email library@ireland.anglican.org

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

In accordance with the Charter of Incorporation (1870) the Representative Body is composed of *ex officio*, elected and co-opted members. The Charter provides that the *ex officio* members shall be the archbishops and bishops, the elected members shall consist of one clerical and two lay representatives for each diocese or union of dioceses presided over by one bishop and the co-opted members shall consist of persons equal in number to the number of such dioceses for the time being. (See also Constitution of the Church of Ireland, Chapter X).

The Representative Body is composed of the following sixty members. The recorded attendance of each at the four meetings of the Representative Body held during the year 2008 is denoted by the figure placed before each name.

A Archbishops and Bishops: *ex officio* members (12)

- 4 Most Rev AET Harper, Archbishop of Armagh
5 Beresford Row, The Mall, Armagh
- 4 Most Rev JRW Neill, Archbishop of Dublin
The See House, 17 Temple Road, Dublin 6
- 3 Most Rev RL Clarke, Bishop of Meath and Kildare
Bishop's House, Moyglare, Maynooth, Co Kildare
- 4 Right Rev MGStA Jackson, Bishop of Clogher
The See House, Fivemiletown, Co Tyrone BT75 0QP
- 3 Right Rev KR Good, Bishop of Derry and Raphoe
The See House, Culmore Road, Londonderry BT48 8JF
- 3 Right Rev HC Miller, Bishop of Down and Dromore
The See House, 32 Knockdene Park South, Belfast BT5 7AB
- 4 Rt Rev AF Abernethy, Bishop of Connor
Bishop's House, 113 Upper Road, Greenisland, Carrickfergus, Co Antrim BT38 8RR
- 4 Right Rev KH Clarke, Bishop of Kilmore
48 Carrickfern, Cavan
- 4 Right Rev RCA Henderson, Bishop of Tuam
Bishop's House, Knockglass, Crossmolina, Co Mayo
- 4 Right Rev MAJ Burrows, Bishop of Cashel and Ossory
Bishop's House, Troysgate, Kilkenny
- 2 Right Rev WP Colton, Bishop of Cork, Cloyne and Ross
The Palace, Bishop Street, Cork
- 2 Right Rev TR Williams, Bishop of Limerick and Killaloe*
Rien Roe, Adare, Co Limerick

* from July 2008

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B Elected members (36)

Every member elected, except to a casual vacancy, must retire from office on the first day of the third Ordinary Session of the Diocesan Synod after that member's election (Constitution Chapter X, Section 3). The date in brackets after each member's name denotes the year in which that member is due to retire. Outgoing members are eligible for re-election provided they have not reached 74 years of age by 1 January preceding election.

Armagh	1	Ven RG Hoey, The Rectory, 2 Maytown Road, Bessbrook, Co Down BT35 7LY (2009)
	3	Mrs E Harkness, 134 Coagh Road, Stewartstown, Co Tyrone BT71 5LL (2010)
	3	Mrs J Leighton, 14 Drumbeemore Road, Armagh BT60 1HP (2011)
Clogher	3	Ven CT Pringle, Rossorry Rectory, Derrygonnelly Road, Enniskillen, Co Fermanagh (2009)
	0	Mr JWC Allen, Aughnahinch, Newtownbutler, Co Fermanagh (2010)
	1	Mr JH Keating, Kilturk West, Newtownbutler BT92 2BS, Co Fermanagh (2011)*
Derry and Raphoe	4	Ven DS McLean, 12 Station Road, Castledawson, Co Derry BT45 8AZ (2011)
	4	Mr JHD Livingston, 28 Station Road, Garvagh, Coleraine, Co Londonderry BT51 5LA (2009)
	4	Mr S Gamble, 14 Spruce Road, Dysart, Strabane, Co Tyrone (2010)
Down and Dromore	4	Ven PF Patterson, 69 Church Road, Newtownbreda, Belfast BT8 7AN (2009)
	3	Mr TA Wilson, 11 Ballymoney Road, Banbridge, Co Down BT32 4DS (2010)
	4	Mr WL Dermott, 3 Ashdene Grange, Comber, Newtownards, Co Down BT23 5SL (2011)
Connor	3	Rev Canon JO Mann, St John's Rectory, 86 Maryville Park, Belfast BT9 6LQ (2009)
	3	Mr RH Kay, 2 Brookvale Terrace, Portrush, Co Antrim BT56 8EY (2010)
	4	Mr JW Wallace, The Hermitage, 7 Ahoghill Road, Randalstown, Co Antrim BT41 3BJ (2011)
Kilmore, Elphin and Ardagh	1	Ven GTW Davison, The Rectory, Cloghan, Derrylin, Enniskillen BT92 9LD, Co Fermanagh (2011)†
	1	Miss M Cunningham, Clonatumpher, Florencecourt, Enniskillen, Co Fermanagh BT92 1BA (2009)‡
	4	Mr AC McElhinney, 10 Taughrane Heights, Dollingstown, Craigavon, Co Armagh BT66 7RS (2010)
Tuam, Killala and Achonry	1	Very Rev AJ Grimason, The Deanery, Deanery Place, Cong, Co Mayo (2011)§
	4	Mrs A Walton, Bon Air, Uggool, Moycullen, Co Galway (2009)
	3	Mr B Bradish, Frenchfort, Oranmore, Co Galway (2010)

* in place of Mr WJ Dickson (retired 2008)

† in place of Rev AJ Forster (retired 2008)

‡ in place of Mrs HR Hicks (retired 2008)

§ in place of Ven RE Dadswell (retired 2008)

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COMMITTEES OF THE REPRESENTATIVE BODY

The Executive, Allocations, Investment, Property, Stipends, Library and Archives and Legal Advisory Committees are elected from the members of the Representative Body in September each year and their chairpersons are appointed triennially. The Audit Committee is appointed triennially. Membership details, number of meetings held between 1 January and 31 December 2008 and record of attendances are given below.

EXECUTIVE COMMITTEE

(5 meetings)

Mr S Gamble (5)
(Chair)

Mr Sydney Gamble

Most Rev AET Harper	(5)	Rev AJ Forster	(3)
Most Rev JRW Neill	(5)	Ven CT Pringle	(3)
Most Rev RL Clarke	(5)	Ven REB White	(5)
Mr GC Richards	(5)	Mr TH Forsyth	(5)
Mr RS Neill	(4)	Mr LJW MacCann SC	(5)
Mr RH Kay	(3)	Mr DG Perrin	(5)
Mr HJ Saville	(5)	* Mr MJT Webb	(1)

The Executive Committee has an overall responsibility to protect the interests of the Representative Body and its trusts, to consider and, if thought fit, to give approval to the recommendations of the subsidiary committees, to give formal approval to routine property and trust transactions, to formulate legislative proposals and policy for approval, to liaise with other central organisations and dioceses and to deal with all matters affecting the employment and remuneration of staff including specialist appointments where the Representative Body is a party to any contract of employment.

The Archbishops and the Chairpersons of the Allocations, Investment, Property and Stipends Committees are *ex officio* members of the Executive Committee. Mr SR Harper attends Executive Committee meetings as an Honorary Secretary of the General Synod.

Prayer read at the commencement of all Executive Committee meetings

“Almighty God, we meet in your presence to exercise stewardship of the resources of this Church. Grant to us a clear mind and judgement in all things, a willingness to seek your will for the Church and an awareness of the trust and responsibility given to us. Guide us with your wisdom and lead us in the paths of truth. This we ask through Jesus Christ, our Lord. Amen.”

* in place of Prof P Barker (retired 2008)

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ALLOCATIONS COMMITTEE

(3 meetings)

Mr GC Richards (3)
(Chair)

Mr WL Dermott	(3)	Most Rev AET Harper	(3)
Rev AJ Forster	(2)	Mr JE Stanley	(2)

The function of the Allocations Committee is to investigate requests for financial support and make recommendations to the Executive Committee or the Representative Body as appropriate, to maintain a “watching brief” on the use and deployment of resources allocated to committees and organisations including their budgetary procedures and accounting policies, to anticipate financial pressures ahead and plan forward accordingly, to ensure that trust limitations are observed in the use of Representative Body funds and to co-ordod0(a)34.3(5)-10.9(o)e w2.8(i)-9.447oaos(r)-7.8(f)19(9(r)(o)2 Tw(d27)-2(i(n)1c4.3(5)(o)2 Tw34.3(5)lo)2 Tw

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PROPERTY COMMITTEE

(5 meetings)

Mr RH Kay (4)
(Chair)

Mr Robert Kay

Mr JWC Allen	(1)	Mrs J Leighton	(3)
Mr PC Clifton-Brown	(5)	Mr JHD Livingston	(3)
Mr RF Colton	(4)	Ven DS McLean	(4)
Very Rev LDA Forrest	(4)	Mr JK Roberts	(4)

The function of the Property Committee is to process all matters affecting glebes, churches, parochial buildings and graveyards vested in the Representative Body in accordance with statutory responsibilities as laid down in the Constitution of the Church of Ireland, to manage the buildings directly under the control of the Representative Body, to co-ordinate with diocesan see house committees and care for see houses and all residences provided for the use of church officers, to care for all properties assigned by the Representative Body for the use and occupation of retired clergy and surviving spouses, to assist and provide guidance in the planning and disposal of redundant churches and the contents thereof, to provide technical support and advice to parishes and dioceses, to maintain property records and registers and generally to report to the Executive Committee or to the Representative Body as appropriate.

Note: Representatives of the dioceses who are members of the Representative Body are entitled to attend meetings of the Property Committee when relevant diocesan property matters are under consideration.

STIPENDS COMMITTEE

(2 meetings)

Mr HJ Saville (2)
(Chair)

Mr Henry Saville

Mr RW Benson	(2)	* Mr AC McElhinney	(0)
Rt Rev WP Colton	(1)	Ven DS McLean	(2)
Mrs L Gleasure	(2)	Mr DG Perrin	(1)
Mrs J Leighton	(2)	Ven CT Pringle	(1)

The function of the Stipends Committee is to make recommendations concerning Minimum Approved Stipends, mileage rates for locomotory expenses, and the remuneration, expenses and budgets for the episcopate and other church officers, to monitor changes in taxation and State legislation insofar as clerical remuneration matters are concerned, to investigate and make recommendations in relation to grant aid requests from dioceses for the support of the Ministry and the training of newly ordained clergy, to consult with dioceses and make recommendations to provide for the better maintenance of the Ministry generally, to monitor and report on the implementation of the recommendations of the Clergy Remuneration and Benefits Committee as approved by General Synod in 1990 and report to the Executive Committee or to the Representative Body as appropriate.

* in place of Mr DAC Smith (retired 2008)

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LIBRARY AND ARCHIVES COMMITTEE

(3 meetings)

Mr MJT Webb (3)
(Chair)

Mr Michael Webb

Most Rev RL Clarke	(2)	Ven REB White	(3)
Rt Rev MGStA Jackson	(1)	* Rev Canon JO Mann	(0)
Advisory Members	–	Mrs V Coghlan	(1)
		–† Rev MJ Elliott	(1)
		– Rev Canon CA Empey	(2)
		– Dr K Milne	(3)

The function of the Library and Archives Committee is to manage the RCB Library and its resources having regard to trusts and objectives, to maintain archives and Church records generally (including records of contents of churches and of church plate), to co-operate with the Theological Institute and Committees using the Library premises and to provide a cost-effective service to the Church and the public at large subject to the approval of the Executive Committee or the Representative Body as appropriate and budget limitations.

LEGAL ADVISORY COMMITTEE

(1 meeting)

Mr LJW MacCann SC (1)
(Chair)

Mr Lyndon MacCann

Mr AC Aston SC	(1)	Mr RLK Mills SC	(0)
His Honour Judge JG Buchanan	(1)	Mrs JM Peters	(0)
The Hon Mr Justice DNO Budd	(1)	Master JW Wilson QC	(1)

The function of the Legal Advisory Committee is to advise the Representative Body on any legal or trust matter which the Executive Committee or the Representative Body may properly refer to it.

* in place of Very Rev SR White (retired 2008)

† from September 2008

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AUDIT COMMITTEE

(2 meetings)

* Mr RS Neill (1)
(Chair)

Mr Robert Neill

Mr RW Benson	(2)	Mr HJ Saville	(2)
† Mr W Oliver	(1)		

The Audit Committee's primary function is to assist the Executive Committee in fulfilling its oversight responsibilities by reviewing the financial statements, the systems of internal control and the audit process. The Committee meets twice yearly with the auditors, PricewaterhouseCoopers, to review the scope of the audit programme prior to audit, the outcomes for the year when the audit is completed and any issues arising from the audit.

* in place of Mr GC Richards (retired 2008)

† in place of Prof P Barker (retired 2008)

MISSION AND RESPONSIBILITY

The Representative Body, as trustee for the Church, strives to operate within a framework of sound practice based on principles of integrity and accountability. Its historic and primary mission is to serve and support the Church's ministry with full legal accountability for its governance of property and financial assets. Over the long term, the Representative Body seeks to manage investments to obtain the best possible return for present and future beneficiaries and to work for improvements in clergy stipends and pensions.

MAIN POINTS

The very significant decreased value of the Balance Sheet in the Representative Body's Accounts for 2008 reflects the negative effect of major turmoil in the world's economies.

The level of funds employed has decreased in value by some 42% to €386m and the Revenue Account for 2008 shows a 12% fall in the surplus of income over expenditure.

Worrying as these figures are, they fail to reflect the true scale of the downward trend, as the impact on the Church's income only began to be evident towards the latter part of the year. In reality, the negative economic effect will continue to reduce income further throughout 2009 and beyond.

There is a 12% reduction in the level of allocations recommended for 2009, which are charged against the 2008 accounts. The surplus for the year after allocations has increased slightly over the previous year to €614k. A substantial part of this is transferred to the Allocations Reserve where it will be available to draw on during the lean years predicted to lie ahead. The Allocations Reserve at year end stands at €4.578m.

The great challenge of balancing income and expenditure without limiting the Representative Body's ability to continue to provide financial support towards the activities of central Church will require focused strategic planning and may not be achievable without cutting back on some of those activities.

This strategic process has already begun and, as plans are finalised, they will be placed before the relevant committees for approval.

One of the steps taken to reduce the risk associated with possible bank failures was to pool all cash deposits under the control of the Representative Body, and to spread these deposits between banks. The Irish government guarantee of deposits during the year has helped to alleviate this risk in the short term in relation to those financial institutions which fall under the deposit guarantee.

The sharp reduction in the market values of investments has placed further strain on levels of statutory funding required of pension schemes and in particular that of the Clergy Pensions Fund, of which the Representative Body is Trustee. Plans for meeting the identified funding shortfall have been under discussion for some time at Executive Committee level and proposals relating to increases in contribution rates will be presented to General Synod in 2009 by the Representative Body, in its capacity as

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Trustee, in conjunction with the Church of Ireland Pensions Board. In addition, the Representative Body has indicated that it would be agreeable in principle to making capital transfers into the Fund at future dates in relation to currently identified past service liabilities, subject to the prevailing financial circumstances in relation to RB General Funds and offset by consequent adjustments to pension subventions from allocations.

In the case of matters of governance, during 2008 a small working group was established comprising members from the RB Executive Committee and the Church of Ireland Pensions Board to review the constitution of the Clergy Pensions Fund and to revise it to conform to current pension legislation in the Republic of Ireland and Northern Ireland as appropriate. This work is in progress and a report is included in the report of the Church of Ireland Pensions Board (page 110).

The review of facilities in respect of buildings for the Church of Ireland Theological Institute continued during the year and the Representative Body has decided to undertake an upgrade of the residential facilities at Braemor Park to provide for the new Institute's needs in the medium term.

The effects of the current economic downturn on the finances of the Representative Body present the Church of Ireland with one of the greatest challenges it has faced since Disestablishment. In rising to meet this challenge – as there is no doubt it shall do – the Church has a fine tradition of determination and resilience on which to draw, and the commitment of laity and clergy to their Church and its Christ-centred mission.

OPERATING AND FINANCIAL REVIEW 2008

The accounts of the Representative Church Body for the year ended 31 December 2008 commence on page 43.

• Summary of financial position

Balance Sheet

The net assets shown in the Balance Sheet (page 50) belong to three different funds.

- The General Funds are those available to be utilised for the purposes of meeting the operating expenditure of the Representative Body and funding for Allocations.
- Pension funds represent the funds employed by the Clergy Pensions Fund, and are dedicated to that purpose.
- Other trust funds generate the investments and deposit income shown in Note 1 to the accounts (page 53) and belong to parishes, dioceses and sundry Church of Ireland trusts.

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The breakdown of value between these funds at the year end is shown following:

<i>Balance Sheet summary</i>	2008 €000	2007 €000
General funds	125,054	217,697
Pension funds	79,751	125,687
Other trust funds	180,994	318,625
Balance sheet total	385,799	662,009

Revenue Account

The surplus for the year is the net income derived from general funds less operating expenses (see page 49).

<i>Revenue Account summary</i>	2008 €000	2007 €000
Surplus for the year	5,619	6,409
Allocations net of prior year unexpended	(5,005)	(5,818)
Surplus after allocations	614	591

- **Commentary**

The revenue account shows a surplus of €0.614m for the year compared to a surplus of €0.591m in 2007. The surplus available before allocations is €5.619m (2007 - €6.409m). Allocations of €5.005m (2007 - €5.818m), net of unexpended amounts of allocations in 2008, make provision for expenditure in support of wider church activities expected to arise in 2009.

All the outcomes for the year are greatly impacted by the deterioration in value of invested assets, and by the sharp fall in the value of sterling against other currencies, and particularly against the euro. At 31 December 2008, the value of the euro had appreciated 30% against sterling compared to the previous year end at €1 = £0.9525 (2007 - €1 = £0.7333). Translating the sterling based assets in the year end Balance Sheet at this rate of exchange reduces total value as presented by €30m, although this does not describe an actual currency conversion loss.

The main impact on the year end Balance Sheet results from very sharp falls in global stock values, and the combined effect of loss of stock value and currency translation reduces overall worth by 41.7% to €386m.

- **Income** (page 49)

Income expressed in euro fell by €0.568m to €8.17m. This fall disguises a static performance in terms of the individual relevant currencies, euro and sterling. At a stable sterling exchange rate income would have shown an increase of 0.8% over 2007.

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Of the total income, €7.719m, or 94.5%, was derived from investments and deposits, (2007 - €8.2m or 93.8%), the dramatic reduction in corporate earnings occurring late in the financial year and having a limited impact on 2008 results. The outlook for corporate dividends and for interest on deposits is very weak for the foreseeable future, and it is expected to be some years before income levels will again reach 2008 levels.

Appendix A (page 66) shows charts illustrating the sources and application of all the income and expenditure managed by the Representative Body, including trust incomes and disbursements.

- **Operating expenditures** (page 60)

Operating expenses show the costs of maintaining the central capability and services managed from Church of Ireland House, offset by income generated and resource recharged to wider church activities.

The net cost of operations increased by €0.322m, of which €0.140m relates to increase in salaries and PRSI, net of the additional amount of staff cost recharged to the wider church and relating to support activities. Salary and PRSI costs make up over 60% of gross operating expenditure, before costs recovered, totalling €1.461m were deducted.

A significant increase in office supplies costs of €24,000 relates largely to a greatly improved level of security built in to the IT backup capability. The value of charges in respect of the amounts generated from the management and administration of the Unit Trusts and the deposits in the care of the Representative Body shows a substantial fall of €7,000 in the year, as the charge for the year was partly based on the value of the invested assets under management. Legal costs recovered in the year were robust, amounting to €27,000 (2007 - €15,000).

Central committee costs show the expenses incurred by people attending committee meetings. The reduction in costs for the year, expressed in euro, of €2,000, arises due to the translation of sterling expenses at year end rates, and at a consistent exchange rate would show a small increase of €6,000.

Other expenses include professional fees, and these, in euro, show a decrease of €5,000 on the figure for 2007, of which €64,000 arises due to sterling translation savings.

- **Allocations** (page 49)

Allocations for 2009 are charged against income in 2008 and amount to €5.301m (2007 - €6.045m). A subvention from the Stipends Fund of €75,000 has been made available for a further year, the fifth year that this has been made available, and this subvention has been utilised to offset costs associated with training for the ministry.

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The charge to the revenue account benefits from the weakness of sterling. The sterling allocation provision of £1.655m (2007 - £1.628m) is translated to a euro value of €1.738m, against a euro cost at 2007's exchange rate which would have been €2.257m, a book saving in translation of €0.519m. The provision for euro allocations is €3.563m (2007 - €3.825m).

- **Reserves** (page 57)

The allocations reserve is maintained to provide protection against the possibility of being unable to meet commitments in a particular year. At the year end the value of the allocations reserve expressed in euro was €4.578m which represents 86.4 % of the gross euro denominated provision for allocations as shown in the Balance Sheet.

At the year end the actuaries of the Staff Pension Scheme assess the comparative solvency of the scheme on a discontinuance basis, and the results are set out in detail in note 15. Here it is shown that, at 31 December 2008, in common with most defined benefit schemes, the scheme was in considerable deficit, the calculated future liability exceeding the value of the assets by €3.699m (2007 a surplus of €0.289m). This value is shown as a long term liability in the Balance Sheet, and reduces the overall value of reserves.

- **Currency translation rates**

Year end sterling balances have been translated into euro a rate of €1 = £0.9525 or £1 = €1.0499 (2007: €1 = £0.7333 or £1 = €1.3637).

ALLOCATIONS RECOMMENDED TO THE GENERAL SYNOD 2009

- The cost of allocations recommended amounts to €3,562,721 (2007 - €3,824,491) and £1,655,289 (2007 - £1,628,132), showing a euro decrease of 6.8% and a sterling increase of 1.9% respectively over the previous year. The combined total of allocations expressed in euro reflects a decrease of 12.3% over 2007, and as noted above owes much to the decline in value of the pound sterling. At a constant rate of exchange, the decrease year on year would be 3.7%.
- The liability in the Balance Sheet at €3.376m is the gross amount required to cover expected allocations needs and is greater than the charge to the revenue account by reason of a subvention of €75,000 from the Stipends Fund which has been applied against the cost of providing training for the ministry.
- The allocations listed below represent net amounts to be allocated after taking into account, where appropriate, income from endowment funds, the episcopal levy and the child protection levy paid by all parishes/dioceses and any other sources of funding which offset the costs of financing ministry and other central commitments.

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	2009	%	2008	%	2009	%	2008	%
	€		€		£		£	
GROUP A								
Episcopal Stipends and Expenses	1,152,472		1,083,107		700,977		660,201	
<i>less</i> Episcopal Levy	(385,298)		(366,947)		(357,992)		(342,576)	
	<u>767,174</u>		<u>716,160</u>		<u>342,985</u>		<u>317,625</u>	
Deans of Residences/University Chaplains	87,939		84,099		119,390		114,595	
Queen's University, Belfast, Bursar	-		-		14,121		13,510	
C of I in Queen's University, Belfast	-		-		2,000		500	
C of I in Trinity College, Dublin	3,000		3,000		-		-	
Clerical Relief - Children's Allowances	52,000		55,000		36,000		30,000	
- Discretionary Grants	2,000		2,000		1,500		1,500	
Stipends Related Costs	22,794		16,215		-		-	
St Patrick's Cathedral, Dublin	10,000		10,000		-		-	
	<u>944,907</u>	26.5	<u>886,474</u>	23.2	<u>515,996</u>	31.2	<u>477,730</u>	29.3
GROUP B								
Clergy Pensions Fund	578,993		544,488		511,106		495,365	
Stipends Fund and Sundry	-		(75,000)		-		-	
Supplemental Fund Benefits								
- Retired Clergy, Surviving Spouses	37,443		99,475		4,250		3,680	
Discretionary Grants								
- Retired Clergy	-		-		13,000		13,000	
- Surviving Spouses	-		-		8,500		8,500	
	<u>616,436</u>	17.4	<u>568,963</u>	14.9	<u>536,856</u>	32.4	<u>520,545</u>	32.0
GROUP C								
Training of Ordinands	358,815		473,590		-		-	
Theological Institute	1,040,067		759,250		-		-	
Ministry formation project	85,745		392,847		-		-	
Stipends Fund	-75,000		-		-		-	
Bishops' Selection Conference	35,000		35,000		-		-	
	<u>1,444,627</u>	40.5	<u>1,660,687</u>	43.4	-		-	0.0
GROUP D								
General Synod/Standing Committee	437,690		602,588		284,257		281,669	
Board of Education	67,151		48,256		96,048		91,111	
Church of Ireland Youth Department	-		-		202,497		202,497	
Youth Link grant	-		-		-		25,000	
Child Protection Officers	26,140		32,023		19,635		22,080	
	<u>531,251</u>	14.9	<u>682,867</u>	17.8	<u>602,437</u>	36.4	<u>622,357</u>	38.2
GROUP E								
RCB Library	25,000		25,000		-		7,500	
Regular Sunday Services in Irish	500		500		-		-	
	<u>25,500</u>	0.7	<u>25,500</u>	0.7	-		<u>7,500</u>	0.5
	<u>3,562,721</u>	100	<u>3,824,491</u>	100	<u>1,655,289</u>	100	<u>1,628,132</u>	100

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Summary expressed in euro as per General Fund Revenue Statement:

	2009		2008	
	€	%	€	%
A - Maintenance of the Stipendiary Ministry	1,486,635	28.0	1,537,954	25.4
B - Pension related costs	1,180,064	22.3	1,278,829	21.2
C - Training of Ordinands	1,444,627	27.2	1,660,687	27.5
D - General Synod Activities	1,163,731	22.0	1,531,574	25.3
E - Miscellaneous	25,500	0.5	35,728	0.6
	<u>5,300,557</u>		<u>6,044,772</u>	

• **Commentary**

Group A - *Maintenance of the Stipendiary Ministry* - €1,486,635

The allocation towards the maintenance of the stipendiary ministry consists largely of the funding of episcopal stipends and expenses. This part of the allocation, 75% of the group total, represents the budgeted costs and estimates for 2009 in respect of stipends, pension funding, employer's state contributions, office, secretarial and travel expenses.

The net total episcopal cost, expressed in euro, is €1.127 million and is supported by a levy on dioceses which is budgeted to realise the equivalent of €761,000, approximately 40.3% (2008 – 42.1%) of the total gross cost at the 2008 year end exchange rate. In 2009 the diocesan levy is set at £1,377 and €1,956 per cure (2008 - £1,324 and €1,863) and is 5.4% of the minimum approved stipend.

A more detailed breakdown of Episcopal costs is shown on page 26.

Other amounts included in group 'A' support the provision of university deans of residence and child and discretionary allowances paid to the clergy.

Group B - *Pension related costs* - €1,180,064

Allocations towards pension provision and other amounts payable in respect of retired clergy and their spouses are dominated by the contribution towards the Clergy Pensions Fund which is a total of €1.116 million for 2009 (2008 – €1.220 million). This is a calculated amount based on a formula approved at General Synod and represents 8.2% of minimum approved stipend. The total expressed in euro shows a decrease on 2008, despite the absence of a subvention of €75,000 which was available in 2008, as the cost of the sterling denominated portion is €160,000 less at the year end exchange rate.

The need for 2009 to provide sums in lieu of state benefit is reduced considerably to €16,000 from a 2008 provision of €76,000.

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Group C - *Training of Ordinands* - €1,444,627

The overall allocations cost for the training of ordinands shows a decrease in 2009, as the cost of the Ministry Formation Project reduces as the project element draws to a close.

In total the provision is €1.445m (2008 - €1.661m), and is net of a subvention of €75,000 from the Stipends Fund. Additional costs are expected to arise relating to the changeover to the new course, and these are reflected in an increase in the provision against the Institute for the 2009/10 academic year, while the provision for students is for the 2008/9 academic year and shows a reduction as there was a one year gap in student intake.

The Training of Ordinands provision includes the grants for students, and in addition to the costs of training and accommodation, married students will receive a personal grant in 2008/9 of €7,700 (€7,350) and the single grant is €4,400 (€4,200).

Extracts from the accounts of the Theological College are included as Appendix B (page 67).

Group D - *General Synod Activities* - €1,163,731

This allocation includes provision for the General Synod and Standing Committee, the Boards of Education and the Church of Ireland Youth Department, as well as amounts for the centrally funded portion of the costs relating to Child Protection Officers.

The net cost of the Board of Education in the Republic of Ireland is supported by a grant from the Department of Education.

The allocation proposed for the Church of Ireland Youth Department is £202,497 (2008 - £202,497).

Group E – *Miscellaneous* - €25,500

The RCB Library allocation comprises grants towards the purchase of new books and provision for the conservation of books, documents and paintings. The running costs of the Library are a component of RCB operating expenses.

INVESTMENTS AND MARKETS

• Ireland

The close of 2008 marked the end of the worst year for the Irish stock market since its inception in 1793. The ISEQ fell by 66.2%, making it one of the poorest performers in Western Europe, with almost €61bn wiped off its value. More than half the market decline in 2008 can be attributed to the financial sector, which fell by 91%. Plummeting share prices and confidence in Irish financials ultimately led to an initial €5.5bn government recapitalisation plan for AIB and Bank of Ireland and Anglo Irish Bank subsequently being nationalised.

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It is anticipated that results will show that the Irish economy contracted in the region of 4% in 2008 (final figure available in late March 2009), after 4.1% growth in 2007. GNP forecasts for 2009 anticipate a further decline. A number of factors contributed to the negative economic environment with the abrupt dive in consumer spending being notable as consumers found themselves under pressure from falling home values, the credit crunch and rising unemployment. Sustained weakness in the labour market has been a feature of 2008, unemployment rose to a ten year high of 8.3% in December and is expected to reach 10% in 2009.

Frozen credit markets and weakened consumer spending had a markedly negative effect on corporate earnings and dividends, with no sector escaping unscathed. While the negative economic environment is likely to persist in 2009, companies with robust balance sheets, well covered dividends and compelling management strategies will continue to outperform.

On the currency markets, the Euro grew in strength against Sterling closing 2008 at 0.9525. The Euro progressively weakened against the dollar in the second half of the year with the EUR/USD closing the year down 4%.

- **UK**

The decline in the UK economy gathered pace throughout 2008, with consumer spending and business investment stalling and house prices continuing to fall. UK equities came under severe pressure as a result of the financial crisis, with the nationalisation of Northern Rock, the break-up of Bradford & Bingley and the government aided rescue of HBOS to name a few. Downward pressure on the resources sector persisted as concern over global growth and demand intensified. The FTSE 100 fell 31.3% (-47.2% in Euro terms) in the year, led by high weightings in the financials and resources sectors.

In response to the global credit crunch, the Bank of England took steps to inject liquidity into the banking sector. This, however, proved “too little too late” and a number of institutions succumbed to recapitalisation or nationalisation. UK interest rates were reduced on four occasions during the year, taking the base rate close to a historic low of 2%, highlighting concern over the economic environment. The UK officially entered recession in late 2008 confirming existing fears on the UK economy.

Economic conditions in the UK have deteriorated significantly with forward indicators pointing to a further weakening in activity in 2009. The downward adjustment in the construction sector is expected to continue, with house prices likely to fall further. These factors combined with the implosion of the financial sector will exert downward pressure on domestic demand. The forecasted growth rate for the UK economy in 2009 is -1.1% (OECD).

- **Continental Europe**

As is the case in Ireland and the UK, the data coming out of Continental Europe in 2008 have pointed downwards relentlessly. Growth prospects continue to decline

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and inflation seems to have peaked and appears to be decelerating rapidly. The financial market turmoil has shown no signs of abating and a number of European economies are now in recession. Having raised interest rates in July 2008 to 4.25%, the ECB was forced to slash rates throughout the rest of the year. The latest cut, on 5 March, has brought ECB base rates to 1.5%, with expectations of further cuts.

Unemployment in the Euro zone grew throughout the year in the face of the deteriorating economic outlook, reaching 8% in December. Surveys from the European Commission indicate that economic sentiment had plunged to the lowest levels since the index began in 1985. The Euro zone was hit particularly by the dramatic downturn in Germany, its largest economy. German exports plunged by 8% in December alone, with industrial orders suggesting worse is to come.

In the equity markets, the Dow Jones Eurostoxx 50 lost 44.4% led by financials and construction companies. The Dax (Germany) and the CAC (France) closed 2008 down, with returns of -39.5% and -42.7% respectively.

- Valuations of the various portfolios and comparative figures at year end were as follows:

Portfolio	Valuations		Total returns (weighted)	
	2008	2007	2008	2007
<i>General Funds/Reserves</i>				
UK and Foreign	€96,635,405	£122,941,449	-36.8%	5.3%
Irish	€18,041,370	€39,760,591	-50.9%	-24.7%
Allocations Reserve	€3,882,558	€4,098,332	-13.2%	-2.1%
<i>Clergy Pensions Fund</i>	€7,240,594	€120,361,786	-34.6%	-7.9%*
<i>Specific Trusts</i>				
RB General Unit Trust (RI)	€16,963,251	€32,638,896	-46.2%	-12.8%
RB General Unit Trust (NI)	€24,852,015	€32,830,094	-20.6%	2.4%

* Based on the total return for the Irish subdivision.

The market value of the portfolios (expressed in euro) decreased over the year from €608m (translated at €1=£0.7333) to €343m (translated at €1=£0.9525).

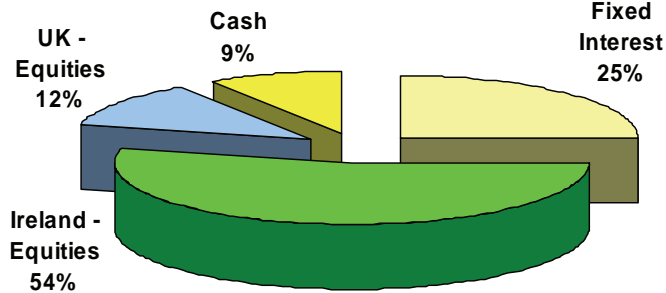
Total return performances of relevant equity markets in 2008 were:

Ireland (ISEQ)	-65.1%	DJ Eurostoxx 50	-41.9% (net)
US (S&P Composite)	-37.0%	UK (FTSE 100)	-28.3% (net)

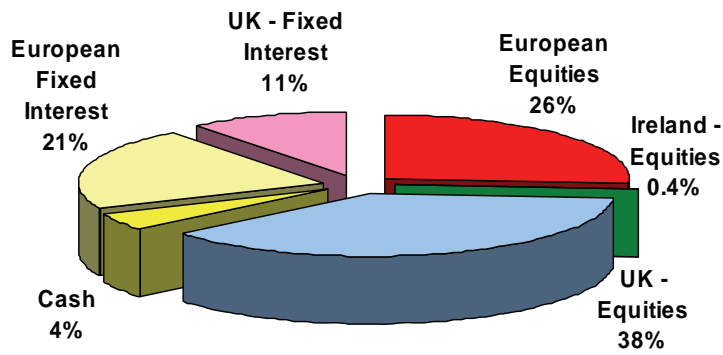
Five year fund performance figures are included as Appendix C (page 69).

GENERAL FUNDS PORTFOLIO BY GEOGRAPHICAL AND ASSET CATEGORIES – 31 DECEMBER 2008

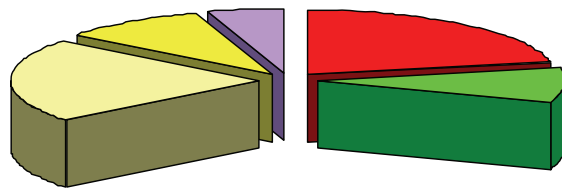
Under in-house management **€18m**



Under Lazard management **£96.9m (€101.5m)**



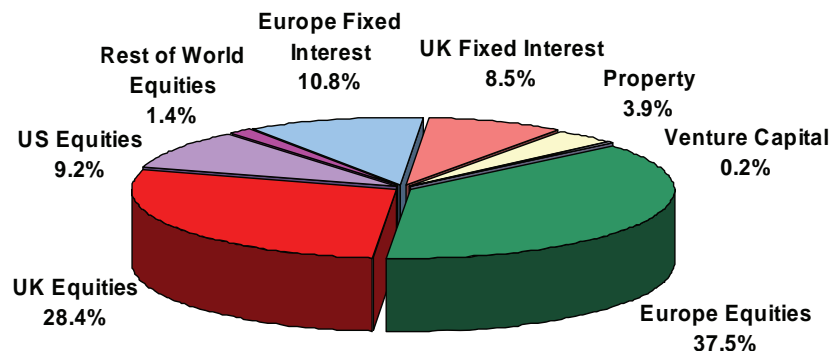
Combined portfolio **€119.5m**



CLERGY PENSIONS FUND PORTFOLIO BY GEOGRAPHICAL AND ASSET CATEGORIES – 31 DECEMBER 2008

Clergy Pensions Fund

€77.14m



- **Unit Trusts**

Extracts from the financial statements of the two RB General Unit Trusts for the year ended 30 June 2008 are included as Appendix D (page 70). Subsequent to the year end, funds have continued to decrease in value in line with market trends.

- **Income**

The Representative Body's General Funds/Reserves investment income for 2008 came in short of target (set at the beginning of the year) due to declining interest rates together with companies reducing or omitting their dividends. Income on General Funds will remain depressed in coming years as corporate earnings and dividends remain under pressure with further reduction expected.

- **Asset Management**

The UK and Foreign section of the General Funds is managed from London by Lazard Asset Management.

Following a review in 2007, the assets of The Clergy Pensions Fund (Republic of Ireland and Northern Ireland) were transferred from Bank of Ireland Asset Management, where they were actively managed, to Irish Life Investment Managers, where they are now managed passively. Information relating to the investments for the Clergy Pensions Fund may be found in the Financial Statements which form part of the report of the Church of Ireland Pensions Board.

The RB General Unit Trusts and the Irish portion of the General Funds portfolios are managed by the staff of the Representative Body's investment department reporting to the Investment Committee. General investment policy or strategy is to focus on long term capital and income growth (although capital performance has been disappointing

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in 2008) and to seek to optimise the long term total return for the Representative Body and its trust beneficiaries. Companies with strong balance sheets, reasonable dividend yields and progressive dividend policies are sought to achieve this objective.

The Investment Committee meets with its external managers on a regular basis to review policy, performance and investment strategy.

- **Socially Responsible Investment (SRI) Review**

The Investment Committee continues to monitor and carry out an SRI assessment review at least once every year. In December, the Investment Committee reported to the Representative Body that it was satisfied that the investment managers are sensitive to the Church's concerns and expectations with regard to ethical and socially responsible investment. The report is included as Appendix E (page 90).

CLERGY REMUNERATION AND BENEFITS

- **Minimum Approved Stipends 2010**

With the severe economic downturn resulting in job losses for many people, low or even negative inflation the outlook for 2009, and a dramatic reduction in dividend income, the Stipends Committee was of the view that the appropriate recommendation for MAS for 2010 was that it should remain unchanged from the 2009 level. The Committee was also anxious that the Church of Ireland be seen as being aware of the financial difficulties that many now face in the current economic climate.

Therefore the recommendation for approval by General Synod is that minimum approved stipends to take effect from 1 January 2010 should remain unchanged from the level approved for 2009, as follows:

	2010 (recommended)	2009
Northern Ireland	£25,498	£25,498
Republic of Ireland	€36,219	€36,219

- **Episcopal costs**

The breakdown of total Episcopal costs is summarised as follows:

	Republic of Ireland		Northern Ireland	
	€ 2009	€ 2008	£ 2009	£ 2008
(1) Stipends together with employer's state insurance costs	492,542	465,069	268,320	256,750
(2) Employer's pension costs	166,834	122,911	140,281	134,240
(3) Offices of the Sees Expenses	328,706	318,190	158,868	152,329
(4) See Houses and related costs	333,274	343,700	208,222	197,173
Totals (gross)	1,321,356	1,249,870	775,691	740,492

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(5) Less Endowment Income	(198,404)	(207,713)	(50,951)	(52,528)
Totals (net of income)	1,122,952	1,042,157	724,740	687,964

*Note: Amounts are denominated in the currency relating to the jurisdiction of the See.
For allocations purposes, amounts are denominated in the currency in which expenditure will occur.*

Notes relating to the figures above:

- (1) Gross stipend and employer's state insurance contribution.
(ie costs that relate to the bishops on a personal basis)

Stipends are multiples of minimum approved stipends as follows:

Archbishop of Armagh	2.45
Archbishop of Dublin	2.25
All Bishops	1.75

- (2) Employer's Clergy Pensions Fund contribution.
(ie actuarially calculated employer's contributions to episcopal pension costs)
- (3) Provision for secretarial and office services and allowances relating to expenses of travel and hospitality.
(ie costs that relate to the running of the office of the See)
- (4) Heating, grounds and house maintenance, insurance and service charges, secretary to the House of Bishops etc.
(ie property maintenance costs and other costs that are shared across all the Episcopacies)
- (5) Income from investments and rent of See House lands.

• **Locomotory Allowances 2009**

The approved pence/cent per mile rates for locomotory allowances are based on public service rates for Northern Ireland as at 1 April 2008 and Revenue approved civil service rates for the Republic of Ireland as at 1 July 2008 and are as follows:

		Northern Ireland
Per mile:	first 8,500 miles	58.70p
	over 8,500 miles	15.80p
		Republic of Ireland
Per km:	first 6,437 km	78.76c
	over 6,437 km	37.94c

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- **Children’s Allowances 2008/2009**

The Children’s Allowances Scheme is designed to assist clergy and surviving spouses with the cost of secondary school education, or higher level education leading to primary qualifications including certificate, diploma and degree.

Grants are paid on a *per capita* basis, without any form of means test, in respect of each child as follows:

	Academic year starting 1 September 2008	
	Republic of Ireland	Northern Ireland
Over 11 attending secondary school	€600	£100
Third level students (up to age 23)	€300	£400
Eligible orphans	€600	£400

Grants may be paid in respect of a child under 11 years of age where that child is in residence at a boarding school or, in exceptional cases, in respect of a student who may be over age 23. In either case, grants are at the sole discretion of the Representative Body.

Grants are also available from other sources eg Clergy Sons, Clergy Daughters, Secondary Education Committee (Republic of Ireland only) and Jubilee Fund (under the management of Protestant Aid).

- **Clergy Car Loans**

Car loans for clergy are available from the Representative Body in accordance with the following formula, linked to the statutory Minimum Approved Stipend (MAS):

	New Cars	Used Cars
Maximum loan	MAS x 2/3	MAS x 1/2
Maximum term	4 years	3 years
Interest rate per annum	8%	8%

This ratio of maximum loan to minimum stipend is designed to maintain a reasonable relationship between borrowing capacity and ability to pay. At 31 December 2008 there were 65 loans outstanding with a total value of €0.434m.

- **Central Church Fund – Removal (relocation) Grants**

Grant assistance is available to clergy towards the cost of moving household belongings to/from a rectory/curatage on a new appointment or retirement but should not be made more frequently than at a three year interval to any one individual other than in exceptional circumstances or where clergy might be required to move on appointment as a Dean or Bishop/Archbishop.

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The revised approved level for an individual relocation grant is limited to 2/3 of actual cost and is subject to a maximum of €4,000 or £2,000 in the case of moves within the island. In the case of moves to the island the maximums are €5,000 and £4,000.

With prior approval an equivalent grant amount may be paid towards the procurement of furniture in lieu of the cost of a move into the island. Claims for such grants must be supported by receipted documentation.

PROPERTY AND TRUSTS

- **General**

The property market in both the Republic of Ireland and Northern Ireland suffered a severe slowdown during 2008 with a subsequent reduction in demand for church land and buildings, including redundant churches. What is being experienced in the property market in Ireland is similar to that in many parts of the world and is a result of an illusion of property value, born out of demand enabled by cheap credit, securitisation and poor financial regulation. It is predicted that there will be a further correction in the property market going forward, driven by the ongoing effects of over supply, rising unemployment, the continuing scarcity of finance, combined with extraordinary international economic developments. The oversupply of property, combined with emigration of workers is also contributing to a reduction in the income that can be obtained from rented property. It may take some time for the property market to show signs of recovery from the current downturn.

- **Roles and Responsibilities**

As the legal owner of the vast majority of Church of Ireland properties held in trust for the Church, the Representative Body has both a statutory function as laid down in Chapter X of the Constitution and a general duty of care under the common law. Property transactions by their nature involve strategic, technical and legal issues which must be considered in great detail and processed with accuracy and technical certainty. The procedure for dealing with Church property may appear to be cumbersome and bureaucratic from time to time, given the chain of decision making from Select Vestry through Diocese and finally by the Representative Body in its corporate legal role. However, this is a consistent, careful and transparent process which reflects this duty of care to past, present and future generations and the legal responsibilities of trustees and custodians.

- **Title and Contract Issues**

Timely notification of potential property transactions taking account of the time which can elapse for procedural reasons is always helpful especially where a title, underlying trust, covenant or mapping problem emerges on investigation. It is important, too, that no implied contracts are entered into between local parish representatives and contractors or developers prior to formal approvals being given by the Representative Body and all legal formalities having been observed.

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- **Church Fabric Fund**

The Church Fabric Fund (Constitution of the Church of Ireland, Chapter X) is held by the Representative Body to make grants to defray 'the costs, in whole or in part, of restoration or repair of the fabric of any Church or Chapel, if same is vested in it, and it is satisfied that it is in use and certified by the Diocesan Council to be essential for worship by the Church of Ireland'. The Fund was established in 1930 and has grown from the allocation of a minimum of 20% of the net proceeds arising from the majority of churches sold to a capital fund of €4,687,543 and £486,811. Grants of €192,550 and £83,450 were allocated by the Representative Body from the income of the Fund on the recommendation of the Primate in 2008. Applications for grants, subject to criteria, are considered in March and October (details from Church of Ireland House, Dublin). A list of grants allocated during 2008 is included as Appendix F (page 92).

- **Marshal Beresford's Fund**

Grants of €59,450 and £29,550 for repairs to Churches were made from the Fund in 2008. The allocation of the income, in accordance with the trusts, is made by the Archbishop of Armagh who does so in conjunction with his recommendations for grant assistance from the Church Fabric Fund.

- **The See House, Armagh**

Planning Permission for the new See House at Cathedral Hill, Armagh has been granted. A final decision on the project is pending.

- **The See House, Kilmore, Cavan**

Plans for the new See House at Kilmore, Cavan were developed during 2008. It is anticipated the plans will be brought for formal approval of the Representative Body in 2009.

- **The See House, Limerick**

The plans for the new See House were approved by the Representative Body during 2008. It has not proved possible to purchase the designated site at Adare. The Bishop is presently residing in rented accommodation and an alternative suitable residence will be provided within the next two years.

- **The See House, Tuam**

The Representative Body approved the sale of the Bishop's House, Knockglass, Crossmolina, Co Mayo, and has obtained the consent of the Diocesan Council, in accordance with the requirement of Section 12 of Chapter X of the Constitution. In view of the current state of the property market the sale of the Bishop's House in the short term is not envisaged.

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- **Stained Glass (surveys)**

The professional survey of stained glass windows in the Church of Ireland by Dr David Lawrence, an expert in stained glass, has resulted in surveys in St Patrick's Cathedral Dublin, Christ Church Cathedral Dublin, the Dioceses of Cork, Cloyne and Ross (including St Fin Barre's Cathedral), Meath and Kildare, Cashel and Ossory, Ferns, Tuam, Killala and Achonry, Dublin and Glendalough, Kilmore, Elphin and Ardagh, Limerick, Ardfer, Aghadoe, Killaloe, Clonfert, Kilmacduagh and Emly. It is planned to complete the fieldwork and photography in the Diocese of Clogher during 2008.

To date funding of €195,842 has been received from the Heritage Council towards the project. Funding of €2,000 was also received from the Irish Georgian Society. The Representative Body is grateful for the generous ongoing support of the Heritage Council for this important work and has itself contributed €218,528 towards the project over the past eight years.

The new Stained Glass Database (Gloine) was launched in April 2008 and is available at the RCB Library, Braemor Park, Churchtown, Dublin 14 and the Irish Architectural Archive, 45 Merrion Square, Dublin 2. The database enables the user to search by diocese, church, artist, studio, religious subject matter and date.

- **Churchyard and Graveyard Walls**

Potentially serious financial loss to parishes due to ageing walls surrounding churchyards and graveyards was again evident in 2008. Parishes are strongly advised to inspect walls regularly, to seek technical advice and to carry out preventative maintenance where possible. Parishes should be vigilant when any form of development takes place on adjoining or adjacent sites and ensure that buttresses, foundations and other supporting structures are not interfered with to the detriment of the churchyard or graveyard walls.

- **Insurance**

Where church premises are occupied by a third party under a lease or licence agreement, it is obligatory that parishes obtain written confirmation from the insurance company of the occupant that they have a policy of public liability insurance in place. Parishes should not enter into arrangements with third parties to receive contributions towards public liability insurance costs, unless such arrangement has been discussed with and has received the sanction in writing of their insurance company.

It is imperative that parishes ensure all graveyards in their care are adequately covered by a policy of public liability insurance.

- **Safety and Parish Premises**

The attention of select vestries is drawn to current Health and Safety legislation in the Republic of Ireland and Northern Ireland, particularly in relation to the 'occupier's' duty of care to visitors and recreational users of church property. It is imperative that each parish should have a formal Health and Safety Statement and that parish premises should meet the required standards.

- **Energy Performance of Buildings - European Communities Regulations 2006**

Northern Ireland (Energy Performance Certificate) and Republic of Ireland (Building Energy Rating Certificate)

Section 7 of the European Communities Energy Performance of Buildings Directive (EPBD) requires that, when a building is constructed, sold or rented, a Certificate detailing its energy consumption must be made available to the prospective purchasers or tenants. These certificates in Northern Ireland are called 'Performance Energy Certificates' and in the Republic of Ireland 'Building Energy Rating Certificates'.

From 1 January 2009 all new and existing domestic dwellings, regardless of age must have an Energy Performance/Rating Certificate when being offered for sale or rent.

Energy Performance or Building Energy Rating Certificates are not required for the following:

- Places of Worship;
- Protected Structures/National Monuments;
- Buildings used for the purpose of carrying out religious activities;
- Temporary buildings and certain non-habitable agricultural and industrial buildings with low energy demand;
- Stand alone buildings with a useful floor area of less than 50 m²;
- If a building is to be demolished after sale.

The Certificate, when issued, will cover a property for a period of 10 years.

It is the responsibility of Parishes to arrange for Energy Performance or Building Energy Rating Certificates to be obtained where required.

- **National Heritage Memorial Fund Grants (Northern Ireland)**

Parishes in Northern Ireland may make application to the National Heritage Memorial Fund for a grant to assist in the preservation and maintenance of a church. The Church of Ireland has benefited considerably from such grants in recent years. The project must be seen as being of particular importance to the national heritage. Conditions applying to the terms of the grant include a requirement that the church building must be open for 40 days a year, apart from Sundays. Additionally, it

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should be ensured that the church will remain viable for a considerable period as there is a ten year clawback period in respect of the grant. Formal approval must be sought from the relevant Diocesan Council and the Representative Body before an Agreement may be entered into in respect of a Grant.

- **Listed Places of Public Worship Grant Scheme (Northern Ireland)**

The Listed Places of Worship Grant Scheme returns, in grant aid, all or part of the actual amount spent on VAT on eligible repairs to listed places of worship. The Scheme is currently due to continue until the end of March 2011. It is designed to assist the repair of places of worship where the costs would be the responsibility of a local congregation or a recognised denomination faith group. The building must be used as a place of worship at least six times a year.

The Scheme:

- Applies only to repairs and maintenance to listed buildings that are used principally as places of worship;
- Applies to listed places of worship throughout the UK which are included on the public registers of listed buildings;
- Applies to listed places of worship owned by or vested in specified organisations which look after redundant churches;
- Is non-discretionary;
- Covers work carried out on and after 1 April 2001;
- Only accepts applications made in arrears.

It should be noted that the amount of VAT returned is determined by the date of the repair works:

- Eligible works carried out **between 1 April 2001 and 31 March 2004** will receive the difference between 5% and the actual amount of VAT paid.
- Eligible works carried out **on or after 1 April 2004** can reclaim the full amount of VAT paid.

Full information and application forms may be obtained from the website, lpwscheme.org.uk or contact:

Listed Places of Worship Grant Scheme
PO Box 609
Newport NP10 8QD
South Wales
Tel: 0845 601 5945

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- **Civic Structures Conservation Grants Scheme (Republic of Ireland)**

The Scheme, operated by the Department of the Environment, Heritage and Local Government, provides grants in relation to the restoration and conservation of the architectural heritage of buildings which are in public ownership or open to the public generally and which are seen as being of considerable architectural merit. This includes places of worship. Closing date for applications is generally mid-February each year. Details may be obtained from the Department's website at www.environ.ie.

- **The Heritage Council Buildings at Risk Scheme**

Operated by the Heritage Council for repairs to historic buildings (roofs only considered in 2008). Details may be obtained from the Heritage Council's website at www.heritagecouncil.ie and from the Heritage Council, Church Lane, Kilkenny, Co Kilkenny.

- **The Heritage Council Significant Places of Worship Grant Scheme**

The Department of the Environment, Heritage and Local Government set up the Grant Scheme in 2008, administered by the Heritage Council, to assist in meeting the costs of major conservation works for Cathedrals, Churches and other Places of Public Worship of national importance in the ownership of religious bodies. Details may be obtained from the Heritage Council's website at www.heritagecouncil.ie and from the Heritage Council, Church Lane, Kilkenny, Co Kilkenny.

- **Architectural Heritage Protection for Places of Public Worship (Republic of Ireland) – Guidelines for Planning Authorities**

The text of the Guidelines is available on the Department of the Environment, Heritage and Local Government website at www.environ.ie

- **Historic Churches Advisory Committee**

Following a Resolution of the Representative Body in September 2003, the Historic Churches Advisory Committee (HCAC) was appointed "To act as an Historic Churches Advisory Committee to the Church of Ireland with power to consult". In the following years the HCAC performed an invaluable task in monitoring applications made through Forms of Certificates of Consent to Alteration, providing information on Grant Aid in the Republic of Ireland, the role of Conservation Officers, liaising with Government bodies and organisations such as the Irish Landmark Trust and Dublin Civic Trust and set up a website offering practical guidance on the care and maintenance of churches. With the latter in place and following changes in legislation since the introduction of the Planning and Development Act, 2000, it was felt that the duties of the HCAC would in the future be best served under the care of the RCB Property Committee and accordingly, the Representative Body at its meeting held on 16 September 2008 approved the following Resolution:

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- “(a) that the Historic Churches Advisory Committee (HCAC) be disbanded and that both its statutory and advisory functions be assigned to the RB Property Committee; and
- (b) that the Property Committee be requested to appoint The O’Morchoe and Mrs Primrose Wilson as its advisers until the Ordinary Meeting of the Representative Body in September 2009, in accordance with By-Law 3.03, for the purpose of being available to advise the Committee in respect of matters relating to the care and maintenance of church buildings.”

Following the adoption of the above resolution the Property Committee was requested formally to appoint two of its members to serve on the Church Buildings Sub-Committee with The O’Morchoe and Mrs Primrose Wilson. Subsequently, at its meeting on 5 November 2008, the Property Committee appointed the Very Rev LDA Forrest and Mrs J Leighton to the Sub-Committee.

Forms of Certificates of Consent to Alteration

- Prior to its disbandment, the Historic Churches Advisory Committee held its final meeting on 2 September 2008, during which it recommended to the Property Committee that “Blue Forms” be amended to reflect a requirement that, prior to signature by the Bishop or Ordinary, the form should be submitted for consent by the Representative Body. Revised wording was later formulated by the RCB Property Committee and approved by the Representative Body and the amended forms have been circulated to Diocesan Secretaries.
- The wording has been altered from “...it will not be necessary to apply to The Representative Church Body for their express consent...” to read “...**prior to signature by the Bishop or Ordinary and before Planning Permission is sought, it will** be necessary to apply to The Representative Church Body for their express consent to the proposed improvements...” The revised wording is to notify parishes not to enter into the planning process before the requisite approval is obtained.

Supplies of Forms of Certificates of Consent to Alterations may be obtained from the Property Department, Representative Church Body, Church of Ireland House, Rathmines, Dublin 6. Copies may also be downloaded directly from the website at www.hc.anglican.org

Website

- The website set up by the Historic Churches Advisory Committee, www.hc.ireland.anglican.org remains in operation and provides information on the care and maintenance of churches. The website is also linked to the Church of Ireland website www.ireland.anglican.org

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Grateful thanks are expressed to the members of the former Historic Churches Advisory Committee, Mr Robert Neill (Chairman), Mrs Primrose Wilson, The O'Morchoe, Very Rev LDA Forrest and Ven DA Pierpoint for their time, expertise and commitment, which has performed a vital role in establishing awareness of the issues surrounding the care and protection of the wealth of architectural heritage of Church of Ireland churches.

LIBRARY AND ARCHIVES COMMITTEE

- **Committee Membership**

Very Rev SR White was no longer a member of the Representative Body and the consequent vacancy on the Committee was filled by the election of Rev Canon JO Mann. Rev Dr MJ Elliott joined the Committee as an advisory member on his appointment as Director of the Church of Ireland Theological Institute.

- **Allocations**

The General Synod allocated €1,000 and £7,500 for the purchase of books. This was generously augmented from the following sources:

APCK (€1,000); Armagh diocese (£400); Cashel and Ossory dioceses (€800); Cork, Cloyne and Ross dioceses (€500); Derry and Raphoe dioceses (£500); Down & Dromore diocese (£270); Dublin and Glendalough dioceses (€1,000); Limerick, Killaloe and Ardfert dioceses (€250); Meath and Kildare dioceses (€400); Monkstown (Dublin) parish (€300); Tuam, Killala and Achonry dioceses (€500).

- **Accessions**

Books and periodicals were purchased to meet the requirements of those in training for ministry and the needs of the wider church. The first effects of the new Theological Institute were evident in the need to purchase books which were on the reading lists for the foundation course. These purchases were augmented by donations from publishers, authors and from a number of individuals, notably, Mrs Olive Briggs, Rev Canon JWR Crawford, the Very Rev RB MacCarthy, Rev Canon IJ Power, Mr Charles Reede, and Rev GDB Smith.

The principal archival accessions were records from 52 parishes, bringing to over 990 the number of parish collections which the Library manages. The papers of Rev Canon JWR Crawford, Very Rev JTF Paterson and Very Rev SW Reede promise, in due course, to be important sources for the history of the Church of Ireland in the 20th century, as do the records of the Press Office, while the voluminous collections of Rev RH Byrne, relating principally to the dioceses of Meath and Kildare will be a boon to local and parish historians.

A list of accessions of archives and manuscripts to the Library during 2008 is included as Appendix G (page 93).

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- **Ministerial Training**

In support of ministerial training, one of the core functions of the Library, induction sessions were provided for ordinands in the Theological College, those in training for the non-stipendiary ministry and for the students on the Archbishop of Dublin's course in theology. On the weekends on which there was NSM training in the Theological College the Library remained open until 7.30 pm. Discussions have begun with the Director of the Church of Ireland Theological Institute to determine how best the Library can support the Institute and its staff and students.

- **Cataloguing**

Work continued on converting the catalogue of printed books from cards to computer and almost 20,000 books have been processed. Professional advice was obtained on the provision of an on-line catalogue to assist those engaged in distance learning and the Library staff are working with the Church House IT Department on this project. Records from 52 parishes and chapels of ease were catalogued as were the muniments of St Lasarian's Cathedral, Leighlin, and Holy Trinity Cathedral, Waterford. Among the smaller manuscript collections which were listed were the papers of Bishop Edward Stopford, the Olden family, and Canon PAG Sheppard.

- **Conservation**

Thirty volumes of parish records were repaired and rebound, as were twelve volumes of reference works. The Red Book of Ossory was digitized as a pilot project to promote conservation and to facilitate local access. The costs of this initiative were generously subvented by the Bishop of Cashel & Ossory. It is hoped to similarly digitize all the medieval manuscripts in the Library.

- **Church Plate**

Progress continued to be made with the church plate inventory and over 90% of the inventories have been returned and checked. The transfer of plate from local custody continued as parishes reduced the holdings in their safes and removed items from local banks. The Library continued to facilitate the re-allocation of pieces to other parishes.

- **Episcopal Portraits**

Portraits of Anthony Dopping, Bishop of Meath, 1682-97, and William Carmichael, Bishop of Meath, 1758-65, were repaired and cleaned prior to hanging in the Meath & Kildare Diocesan Centre. Three portraits from the Palace in Cork were restored so completing the conservation of the Cork episcopal portrait collection while the restoration of a pastel of CF D'Arcy, Bishop of Ossory, 1907-11, completed the hanging of the portraits in the Bishop's House, Kilkenny. The Tuam episcopal portrait collection was surveyed, a portrait of John Vesey, Archbishop of Tuam, 1679-1716, from the Bishop's House, Crossmolina, was repaired and cleaned and the

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frame of the portrait of Power le Power Trench, Archbishop of Tuam, 1819-39, in the Tuam Synod Hall was conserved.

- **Outreach**

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Donations and bequests can be in the form of money, stocks and shares, securities, chattels, houses or lands or the whole or part of the residue of an estate. They can be left to the Representative Body in trust:

- for the general purposes of the Church of Ireland; or
- for any particular funds of the Church or any diocese or parish; or
- for any particular Church purpose.

The Representative Body applies funds arising from a specific donation or bequest strictly in accordance with the purposes declared in the trust instrument or Will. However, the Church of Ireland is in great need of unfettered funds to help finance its ongoing responsibilities – training ordinands, providing retirement benefits for clergy and their spouses and maintaining the ministry generally. An unfettered donation or bequest can be given or left to the Representative Body in trust “for such charitable purposes in connection with the Church of Ireland as the Representative Body of the Church of Ireland may from time to time in its absolute discretion approve”, giving the Church the flexibility to finance its most pressing needs from time to time. (Please see suggested Form of Bequest below.)

- **Tax relief on charitable donations**

Northern Ireland

The Gift Aid scheme gives tax relief on charitable donations and is available to all taxpayers resident in Northern Ireland. Tax can be reclaimed on donations of any size, as long as the amount reclaimed does not exceed the amount of tax paid by the donor during the tax year. Information on how to avail of Gift Aid is available from Church of Ireland House, Dublin.

The total value of the subscriptions collected under Gift Aid on behalf of parishes in 2008 was £4,796,408 to which the income tax recovered by the Representative Body added £1,348,062 to give a total of £6,144,470 as compared with £6,510,541 in the previous year. This figure includes an element of transitional relief which is provided by the Government to allow charities to adjust to the fall in basic rate tax from 22 per cent to 20 per cent, and will be paid in respect of all qualifying Gift Aid donations made to charities between 6 April 2008 and 5 April 2011. This means that for every pound donated under the Gift Aid scheme the charity will continue to receive 28p until the end of the tax year 2010/11.

Republic of Ireland

Tax relief is available on donations of €250 or more made by individuals and corporate donors to eligible charities and approved bodies. In the case of donors who are PAYE only, tax reclaimable by the charity represents 25% of the original donation for standard rate tax payers and 69% of the original donation for higher rate tax payers. If donors are self assessed for tax purposes, relief is available at the appropriate tax rate against the donation value.

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Many parishes and the Bishops' Appeal have benefited greatly from this tax relief and they are utilising the opportunity to maximise the value of parochial and charitable giving. Information on the reclaim process is available from Church of Ireland House, Dublin.

The Representative Body, together with other charitable bodies, continues to lobby for an extension of relief and further simplification of the process to allow growth in the resources available to the charitable sector in Ireland.

- **Form of Bequest**

The following suggested Form of Bequest grants the Representative Body, as Trustee, permission to invest in any investments or securities at its sole discretion. Circumstances may alter from time to time and this Form of Bequest gives the Trustee freedom to act in the best interests of the parochial or other fund concerned.

The Representative Body also recommends consulting a Solicitor to ensure that any bequests made under Will are valid and satisfy legal requirements.

“I GIVE, DEVISE AND BEQUEATH [*here insert clear particulars of the benefaction ie, a particular sum of money, specific property, a share of the residue etc*] to the Representative Body of the Church of Ireland in trust for [*here insert clear particulars of the object for which the benefaction is to be applied eg, parochial funds of the parish of in the diocese of or, as a perpetual endowment for the stipend of the incumbent of the parish of in the diocese of or, for such charitable purposes in connection with the Church of Ireland as the Representative Body of the Church of Ireland may from time to time in its absolute discretion approve*].

I direct that any funds received by the Representative Body in pursuance of this my Will may be invested in any investments or securities whatsoever in its sole discretion and in all respects as if it were absolutely and beneficially entitled thereto.”

- **Donations, Bequests and Funds Received**

A full list of funds received by the Representative Body in 2008 on behalf of parishes, dioceses and special trusts is included as Appendix H (page 98).

- **Trusts for Graves**

The Representative Body does not accept any trust for the provision, maintenance or improvement of a tomb, vault, grave, tombstone or other memorial to a deceased

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MISCELLANEOUS AND GENERAL

• **Deposit Interest (Rates)**

The rates of interest allowed or charged by the Representative Body are linked to the rates ruling from time to time in the money market. The following rates of interest were applied by the Representative Body in 2008:

QUARTER ENDED	€		£	
	Dr %	Cr %	Dr %	Cr %
31 March	6.00	4.25	6.50	5.60
30 June	6.00	4.25	6.50	5.40
30 September	6.25	4.50	6.40	5.30
31 December	5.75	4.10	5.10	4.20

These rates only apply to revenue balances to credit of diocesan and other accounts and not to permanent capital other than in cases where, for some reason, there may be a delay in making a long term investment (eg proceeds of sales of glebes). Interest is calculated on daily balances and time weighted.

• **Inflation Statistics (5 year review)**

Year on year (December)	UK (RP Index)	Republic of Ireland (CP Index)
2004	3.5%	2.6%
2005	2.2%	2.5%
2006	4.4%	4.9%
2007	4.0%	4.7%
2008	0.9%	1.1%

RESOLUTIONS RECOMMENDED TO THE GENERAL SYNOD

The Representative Body recommends that the following resolutions be adopted by the General Synod:

I. Allocations

That the General Synod hereby authorises the Representative Body to make the following allocations for 2009 from the balance on the General Funds Revenue Account for the year ended 31 December 2008:

	€
Group A – Maintenance of the Stipendiary Ministry	1,486,635
Group B – Pension Related Costs	1,180,064
Group C – Training of Ordinands	1,444,627
Group D – General Synod Activities	1,163,731
Group E – Miscellaneous	25,500
	<hr/>
	5,300,557
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II. Minimum Approved Stipend

That, in accordance with Section 51 (1) of Chapter IV of the Constitution and with effect from 1 January 2010, Minimum Approved Stipends shall remain at unchanged levels from 2009, as follows:

- (a) no stipend shall be less than £25,498 per annum in Northern Ireland or €36,219 per annum in the Republic of Ireland in the case of an Incumbent or a member of the clergy appointed as Bishop's Curate under the provisions of Section 42 of Chapter IV or of a Diocesan Curate over the age of 30 years appointed under the provisions of Section 43 of Chapter IV.
- (b) the stipend for a Curate-Assistant shall be in accordance with the following scale:

First Year	75.0%	of minimum stipend for incumbent
Second Year	77.5%	"
Third Year	80.0%	"
Fourth Year	82.5%	"
Fifth and succeeding Years	85.0%	"