

Church of Ireland Pensions Board – Report 2010

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**FUND ACCOUNT** **YEAR ENDED 31 DECEMBER 2009**  
**FINANCIAL STATEMENTS** **PAGE 12**

<b>CONSOLIDATED FUND</b>			
	Notes	2009 €'000	2008 €'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	4,777	4,492
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	4	6,814	6,585
Administrative expenses payable to the Trustee		127	146
		<u>6,941</u>	<u>6,731</u>
<b>CONTRIBUTIONS LESS BENEFITS</b>		<u>(2,164)</u>	<u>(2,239)</u>
<b>INVESTMENT RETURN FOR THE YEAR</b>			
Investment income	5	62	254
Realised and unrealised investment gain / (loss)		18,859	(40,464)
Currency translation adjustment		43	(1,513)
Investment management expenses		(56)	(72)
		<u>18,908</u>	<u>(41,795)</u>
<b>NET INCREASE / (DECREASE) IN FUND FOR YEAR</b>		<u>16,744</u>	<u>(44,034)</u>
<b>BALANCE 1 JANUARY</b>		<u>77,245</u>	<u>121,279</u>
<b>BALANCE 31 DECEMBER</b>		<u><u>93,989</u></u>	<u><u>77,245</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: 9 March 2010

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**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NET ASSETS STATEMENT** **YEAR ENDED 31 DECEMBER 2009**  
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<b>CONSOLIDATED FUND</b>	Notes	2009	2008
			€'000
INVESTED ASSETS	6	93,895	77,241
		_____	_____
CURRENT ASSETS			
Amounts due from the Representative Church Body		162	395
CURRENT LIABILITIES			
Creditors		(68)	(391)
		_____	_____
NET CURRENT ASSETS		94	4
		=====	=====
BALANCE OF FUND		93,989	77,245
		=====	=====

Signed on behalf of the Trustee: *S Gamble*

*DG Perrin*

Date: 9 March 2010

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**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**YEAR ENDED 31 DECEMBER 2009**  
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**REPUBLIC OF IRELAND SUBDIVISION**

	Notes	2009	2008
		€'000	€'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	2,520	2,348
Transfers from Northern Ireland subdivision		49	303
		2,569	2,651
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	4	3,148	3,168
Transfers to Northern Ireland subdivision		36	869
Administrative expenses		126	145
		3,310	4,182
<b>CONTRIBUTIONS LESS BENEFITS</b>		<b>(741)</b>	<b>(1,531)</b>
<b>INVESTMENT RETURN FOR THE YEAR</b>			
Investment income		55	119
Realised and unrealised investment gain / (loss)		9,354	(22,312)
Investment management expenses		(28)	(35)
		9,381	(22,228)
<b>NET INCREASE / (DECREASE) IN FUND FOR YEAR</b>		<b>8,640</b>	<b>(23,759)</b>
<b>BALANCE 1 JANUARY</b>		<b>38,199</b>	<b>61,958</b>
<b>BALANCE 31 DECEMBER</b>		<b>46,839</b>	<b>38,199</b>

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**NORTHERN IRELAND SUBDIVISION**

	Notes	2009	2008
		€'000	€'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	2,257	2,144
Transfers from Republic of Ireland subdivision		36	869
		<u>2,293</u>	<u>3,013</u>
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	4	3,666	3,417
Transfers to Republic of Ireland subdivision		49	303
Administrative expenses		1	1
		<u>3,716</u>	<u>3,721</u>
<b>CONTRIBUTIONS LESS BENEFITS</b>		<u>(1,423)</u>	<u>(708)</u>
<b>INVESTMENT RETURN FOR THE YEAR</b>			
Investment income		7	135
Realised and unrealised investment gain / (loss)		9,505	(18,152)
Currency translation adjustment		43	(1,513)
Investment management expenses		(28)	(37)
		<u>9,527</u>	<u>(19,567)</u>
<b>NET INCREASE / (DECREASE) IN FUND FOR YEAR</b>		8,104	(20,275)
<b>BALANCE 1 JANUARY</b>		39,046	59,321
<b>BALANCE 31 DECEMBER</b>		<u>47,150</u>	<u>39,046</u>

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

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**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 2009. 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).

The Actuary is required annually to produce a certificate commenting on the status of the funding of the Clergy Pensions Fund. At 31 December 2009 the Actuary's certificate stated that the Fund still did not satisfy the statutory minimum funding standard, and that the current funding arrangements were unlikely to enable the standard to be achieved as planned by 30 September 2011. A revised funding plan must be agreed with the Irish Pensions Board by 31 December 2010.

**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 Church of Ireland Pensions Board and these statements should be read in conjunction therewith.

**3. SUMMARY OF CONTRIBUTIONS RECEIVABLE**

	2009 €'000	2008 €'000
<u>Republic of Ireland</u>		
Members – normal	425	399
– additional personal	164	148
Dioceses	1,352	1,257
Representative Church Body	<u>579</u>	<u>544</u>
	<u>2,520</u>	<u>2,348</u>
<u>Northern Ireland</u>		
Members – normal	394	379
– additional personal	57	51
Dioceses	1,210	1,194
Representative Church Body	576	520
Transfers from other funds	<u>20</u>	<u>-</u>
	<u>2,257</u>	<u>2,144</u>
Total	<u>4,777</u>	<u>4,492</u>

The value of Northern Ireland contributions in sterling is translated for reporting purposes to euro at the year end rate of exchange.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
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**4. BENEFITS PAYABLE**

	2009 €'000	2008 €'000
<u>Republic of Ireland</u>		
Pensions to retired bishops and clergy	1,712	1,635
Pensions to surviving spouses and orphans	1,389	1,310
Commutation of pensions	47	108
Death benefits	-	115
	<u>3,148</u>	<u>3,168</u>
<u>Northern Ireland</u>		
Pensions to retired bishops and clergy	2,280	1,961
Pensions to surviving spouses and orphans	1,153	1,050
Commutation of pensions	128	268
Death benefits	105	138
	<u>3,666</u>	<u>3,417</u>
Total	<u><u>6,814</u></u>	<u><u>6,585</u></u>

The cost of Northern Ireland benefits in sterling is translated for reporting purposes to euro at the year end rate of exchange.

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**5. ANALYSIS OF INVESTMENT INCOME**

	2009 €'000	2008 €'000
Fixed interest securities	-	113
Dividends from equities	-	25
Income from managed funds	-	18
Interest on cash deposits	-	41
	<u>-</u>	<u>197</u>
Other trust income	62	57
	<u>62</u>	<u>254</u>
	<u><u>62</u></u>	<u><u>254</u></u>

The invested assets are held in a unitised fund and income is attributed to the fund as it arises and is not separately reported.

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

	<b>Market Value 2009</b>	<b>Market Value 2008</b>
<b>Equities</b>	€'000	€'000
UK	26,532	19,510
Europe ex UK	30,150	23,747
Global	19,255	15,860
<b>Bonds</b>		
European	8,475	8,371
UK	6,616	6,558
	-----	-----
	91,028	74,046
	-----	-----
<b>Other</b>		
Irish Property Unit Trust	225	291
New Ireland Pension Property Series 1	2,467	2,710
New Ireland Venture Capital	175	178
Cash	-	16
	-----	-----
	2,867	3,195
	-----	-----
<b>Total</b>	<b>93,895</b>	<b>77,241</b>
	=====	=====

The total invested assets include an amount of €15,455 (€67,000 in 2008) of cash in transit to Irish Life Investment Managers.



**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
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**6. INVESTED ASSETS – CONTINUED**

(b) The fund tracks various published indices on a passively managed basis.

The relative weighting of the value invested in each index is controlled by the Trustee. As at 31 December 2009, the indices and the percentage of the fund, excluding property unit trusts and cash, invested in these was as follows:

Indices	Weighting
FTSE All World Series Developed Europe Ex UK	39.9%
FTSE All World Series UK	32.8%
S&P Global 100	10.7%
Merrill Lynch EMU Govt > 10 Year	9.3%
Merrill Lynch UK Govt > 10 Year	7.3%

**7. CONTINGENT LIABILITIES**

In the opinion of the Trustee the scheme had no contingent liabilities at 31 December 2009.

**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.