

The Representative Church Body – Report 2012

**APPENDIX A**

**Extract from the accounts of  
THE CHURCH OF IRELAND THEOLOGICAL INSTITUTE**

**INCOME AND EXPENDITURE ACCOUNT**

**For the year ended 30 June 2011**

	2011 €	2010 €
<b>Income</b>		
Grants from General Synod	747,788	800,155
Divinity student fees	137,240	141,460
Receipts from guests and conference	50,937	63,017
Non-stipendiary ministry training	6,459	19,371
Clergy study courses	3,884	-
Interest	779	197
Foundation course	37,317	30,824
	<u>984,404</u>	<u>1,055,024</u>
<b>Expenditure</b>		
Academic expenses	379,251	395,893
Administration expenses	109,925	125,514
Operating expenses	272,992	268,742
Establishment expenses	216,459	228,164
Transfer to Chapel Library	1,113	-
	<u>979,740</u>	<u>1,018,313</u>
<b>Surplus for the year</b>	4,664	36,711
Balance at beginning of the year	37,742	16,264
Opening balance paid to RCB	(36,539)	(15,233)
<b>Balance at the end of the year</b>	<u>5,867</u>	<u>37,742</u>

Income and the surplus arose solely from continuing operations. There were no other recognised gains or losses other than those dealt with above.

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**Extract from the accounts of  
THE CHURCH OF IRELAND THEOLOGICAL INSTITUTE**

**BALANCE SHEET**

**As at 30 June 2011**

	2011 €	2010 €
EMPLOYMENT OF CAPITAL		
<b>Fixed assets</b>	19,892	39,986
	<hr/>	<hr/>
<b>Current assets</b>		
Sundry debtors	49,042	55,170
Bank deposit accounts	9,368	9,367
Bank current accounts	21,441	26,193
Cash on hand	12	17
	<hr/>	<hr/>
	79,863	90,747
<b>Creditors – amounts falling due within one year</b>	(80,029)	(58,765)
	<hr/>	<hr/>
<b>Net current (liabilities)/assets</b>	(166)	31,982
Total assets less current liabilities	19,726	71,968
<b>Creditors – amounts falling due after more than one year</b>	(13,859)	(34,226)
	<hr/>	<hr/>
<b>Net assets</b>	5,867	37,742
	<hr/>	<hr/>
<b>Capital and trust funds</b>		
Accumulated surplus	5,002	36,539
Ferrar Memorial Fund for Liturgical Library	91	163
Gregg Memorial Fund for College Library	774	1,040
	<hr/>	<hr/>
	5,867	37,742
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**APPENDIX B**

**FUND PERFORMANCES – COMPARATIVE TOTAL RETURNS**

	<b>2011 %</b>	<b>3 year annualised 2009-2011 %</b>	<b>5 year annualised 2007-2011 %</b>
<b>General Funds</b>			
General Funds (In-House)	-1.2	2.5	-16.8
General Funds (Lazard)	-0.7	11.6	-2.4
<b>Parochial, Diocesan Funds etc</b>			
RB General Unit Trust (RI)	0.1	7.6	-10.2
RB General Unit Trust (NI)	2.3	10.6	1.9
<b>Market Averages</b>	(a)		
<i>ISEQ Index</i>	2.6	10.1	-19.0
<i>ISEQ Financial Index</i>	-70.7	-49.3	-62.0
<i>ISEQ Bond Index Total</i>	10.0	-0.2	1.6
<i>FTSE Eurotop 100</i>	-6.1	9.5	-3.8
<i>FTSE All Share Index (€)</i>	-0.4	18.6	-2.7
<i>FTSE All Share Index (£)</i>	-3.2	13.1	1.4
<i>FTSE ALL UK Gilt Index</i>	15.6	7.0	7.8

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(a) Total returns assume reinvestment of dividends and are quoted gross (do not account for dividend withholding tax that is deducted at source).

**APPENDIX C**

**SOCIALLY RESPONSIBLE INVESTMENT**

**ANNUAL REVIEW AND REPORT OF THE INVESTMENT COMMITTEE  
TO THE REPRESENTATIVE CHURCH BODY (DECEMBER 2011)**

Ethical considerations form an integral part of the Representative Church Body's investment management process in keeping with its Christian witness and values.

The RCB seeks to invest in companies which will develop their business financially and generate acceptable investment returns for the shareholders, but which also demonstrate equitable employment, incorporate good corporate governance practices, are conscientious with regard to environmental performance and human rights and act with sensitivity to the communities in which they operate. The use of 'positive' ethical criteria in assessing companies is firmly incorporated within our ethical investment policy, although 'negative' criteria are also applied.

The Representative Body is committed to striking a balance between investment that takes account of ethical considerations (which are complex and sometimes subjective) and the implications of Trust Law, which places a fiduciary responsibility on the RCB, as Trustee, to obtain the best risk adjusted financial return possible for the trust beneficiaries.

The RCB recognises that, given the complex and changing structures of many companies and their diversified subsidiary interests, some may develop/acquire business interests in areas the RCB might otherwise wish to avoid. Disinvestment will be considered if these interests become a material proportion of the focus or business activity of the company with any disposals to take place within a six month time frame (so as to minimise any possible monetary loss).

Investment is avoided in any company that manufactures pornographic products. In addition, investment is to be avoided in companies where a material share of revenue is derived from the manufacture of tobacco products or end weapons. End weapons refer to finished products that are designed to kill, maim or destroy and are sold exclusively for military uses.

The RCB remains sensitive to the issues of environmental damage, human rights and using animals for product testing (cosmetics in particular) and endeavours to invest in companies with high standards and policies in these areas. The investment managers have been charged with the authority to participate in constructive engagement with companies on these issues where deemed appropriate and following engagement, if no satisfactory conclusion can be reached, disinvestment may be considered.

The Investment Committee monitors and reviews the RCB's investments including an ethical assessment at least once each year.

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In addition, the Committee reviews the research findings of the Ethical Investment Advisory Group of the Church of England and participates in the Church Investors' Group (a formal group representative of various Churches in the UK and Ireland) through correspondence and attendance at review meetings.

Following this year's annual review, and having received written reports from our external fund managers, the Investment Committee is satisfied that the investments held for all funds are consistent with the RCB's investment policy and that the investment managers continue to be sensitive to the Church's expectations on socially responsible investment issues.

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**APPENDIX D**

**GENERAL UNIT TRUSTS**

**FINANCIAL STATEMENTS  
AND  
INVESTMENT MANAGER'S REPORTS**

**YEAR ENDED 30 JUNE 2011**

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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
**YEAR ENDED 30 JUNE 2011**

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**FUND OBJECTIVES**

The objectives of the Fund are (i) to generate a stable income base and, over the longer term, to seek to provide an increasing income stream with capital appreciation, and (ii) to maintain a balanced spread of investments primarily in Continental European and UK equities and fixed income stocks.

**MARKET REVIEW**

**IRELAND**

The twelve month period to 30 June 2011 was an eventful one for Ireland. It was dominated by the EU bailout in November 2010 when the State was compelled to accept EU/IMF loans of €85bn to secure state funding out to 2013 and to recapitalise the domestic banking system. A new Fine Gael/Labour government was formed in February 2011 and is tasked with restoring the economy back to growth.

The recovery in the Irish economy has been somewhat erratic and has been driven primarily by strong exports whilst domestic demand remains weak. An unemployment rate of circa 14% and ongoing pressure on disposable incomes from falling wages, rising inflation, tax increases and higher interest rates has resulted in continued fragility in consumer confidence. However, the Irish economy's flexibility is being displayed in the ongoing adjustment and real internal devaluation that is still underway with the result that Ireland's competitive position internationally has improved materially. The rebalancing away from over-reliance on the construction sector and the reduction in the cost of doing business in Ireland (e.g. wage and rental costs) should result in increased foreign direct investment and lead to a more sustainable recovery.

Given the huge increase in yields for Irish debt over the last year total returns were poor for investors in Irish sovereign bonds. The ISEQ All Bond Index delivered a total return of -21.6% compared to 3.1% for the FTSE All UK Gilts Index. However, the recent escalation in the European debt crisis may actually prove beneficial for Ireland if measures being considered, such as interest rate reductions, lengthening of maturities and debt buybacks, are implemented.

Investors in Irish equities fared somewhat better with the ISEQ Index of Irish shares generating a total return of 5.9% over the twelve month period despite Irish financials declining by -77.3%, although it still lagged both U.K. and European equity markets.

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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
**YEAR ENDED 30 JUNE 2011**

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**EUROPE**

The Eurozone economy as a whole performed well in the year to 30 June 2011, led mainly by the northern European economies of Germany, France and Holland. In the quarter to March 2011 seasonally adjusted GDP increased by 2.5% in both the euro area and the EU27 compared to the same quarter in 2010. However the economies of Greece and Portugal continued to underperform with growth rates of -4.8% and -0.7% respectively over the same period on the back of demanding austerity programmes.

This level of overall growth combined with inflationary pressures caused by high commodity prices prompted the European Central Bank to commence raising interest rates with an initial hike of 25 basis points in April 2011, in a bid to anchor inflation expectations and prevent second-round inflationary effects such as rising wage demands. It subsequently raised rates again (after the financial year end) by a further 25 basis points in July with the expectation of at least one further hike before the end of 2011. The timing of such increases is unfortunate for peripheral European economies already struggling with depressed consumer confidence and demand as a result of the ongoing deficit reduction measures.

The central issue dominating the headlines during 2010/11 was the ongoing saga surrounding European sovereign debt. The crisis reached new levels with both Ireland and Portugal joining Greece during the year as bailout recipients, with contagion ultimately spreading beyond the peripheral countries towards the end of the period to larger economies like Spain and Italy. Sovereign debt yields have continued to spiral upwards with Greece, Ireland and Portugal downgraded to 'junk' status by at least one credit rating agency and a second bailout required by Greece. The creation of the European Financial Stability Facility (EFSF), the proposed European Stabilisation Mechanism (ESM), and stress tests of the European banking sector have all failed to calm the markets who are now demanding a European-wide solution, possibly with some form of private sector involvement, to replace the heretofore piecemeal country by country approach.

Despite all the uncertainty surrounding the sovereign debt problems in Europe, the Euro actually strengthened by 10.4% against Sterling in the twelve months to 30 June 2011, and by 18.4% against the U.S. dollar, mainly as a result of the quantitative easing (money printing) programmes undertaken by both the Bank of England and the Federal Reserve in the U.S.

As a result, the euro-denominated returns of UK and US equity markets were below those of European equity markets despite significant outperformance in local currency terms. For example, the FTSE 100 Index, which had a total return of 25.1% in sterling terms for the year to 30 June 2011, returned only 13.4% when converted to euro, marginally behind the Dow Jones EuroStoxx 50 Index at 15.4% for the same period.

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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
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**UK**

The UK economy lost some momentum during the year to 30 June with growth slowing to just 0.5% for the first quarter of 2011 on the back of poor performances from the construction and energy sectors. Deficit reducing austerity measures introduced by the Conservative led government, such as increases in the VAT rate and reductions in government expenditure, continuing high unemployment, low wage growth and high debt levels continue to impact consumer spending.

Against this economic backdrop, and despite inflation running well above its target at 4.5% at the end of May, the Bank of England maintained interest rates at the historically low level of 0.5%. It is expected that inflationary pressures from commodities and the VAT rises should ease over the next year which, in conjunction with the weak growth environment, should ensure low interest rates for the rest of 2011.

Despite the general weakness in the economy, the UK equity market actually had a very robust performance during the year with the FTSE All Share Index delivering a total return of 25.8% in sterling terms, although this return declines to 14.1% in euro terms as result of sterling's depreciation against the euro of 9.4%. The UK market's exposure to international mining and oil stocks was beneficial, with companies such as BHP Billiton and Royal Dutch Shell delivering total returns in excess of 40% for the year.

**KEY CHANGES TO THE PORTFOLIO**

During the summer of 2010 the Fund sought to take advantage of volatility and pessimism in equity markets by acquiring solid companies with reasonable dividend yields at attractive prices. Throughout the year, given that bond yields had fallen significantly compared to the previous year, there was a greater emphasis on identifying good quality equities with reasonable initial yields and attractive dividend growth prospects.

This strategy is reflected in the asset allocation at June 2011 where equities comprised 79% of the Fund's assets compared to 72% as at June 2010, although the relative movement was also influenced by the decline in the value of the Fund's Irish government bond holdings. There was a corresponding reduction in the Fund's exposure to corporate bonds during the period, from 14% in June 2010 to 9% in 2011. As corporate bond yields fell during the year capital gains on select bonds were realised and predominantly reinvested in equities.

The Fund modestly increased its exposure to global equities over the period through an investment in an International Equity Income fund using proceeds from the sale of other (UK and European) unitised vehicles held for the portfolio. The investment in Global Equity provides greater diversification both in terms of geographical exposure (and income) but also with respect to the investment approach, which seeks to identify inevitable growth trends around the world and then invest in the best companies globally that are best positioned to exploit these trends.

**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
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There will continue to be additions to high quality conviction stocks where the dividends are relatively secure, balance sheets are strong and focused management teams are in place. As always, all companies must comply with the Representative Church Body's socially responsible investment policy.

**PERFORMANCE**

During the period under review the capital value of the Fund declined by -0.3% while the total return (capital and income) was 4.2%.

**Annualised Total Returns:**

	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>ISEQ Overall</b>	5.9%	-15.1%	-14.9%	-5.2%
<b>ISEQ Financial</b>	-77.3%	-69.9%	-57.8%	-30.7%
<b>FTSE 100 Index (€)</b>	13.4%	1.3%	-1.2%	0.0%
<b>DJ Eurostoxx 50</b>	15.4%	-1.2%	-1.0%	-0.6%
<b>ISEQ Bond Index Total</b>	-21.6%	-4.4%	-1.9%	N/A
<b>RB General Unit Trust (RI)</b>	4.2%	-6.4%	-7.4%	0.1%

The Fund's exposure to Mining and Oil & Gas stocks contributed positively to performance as these sectors outperformed the broader market and sectoral indices on a relative basis.

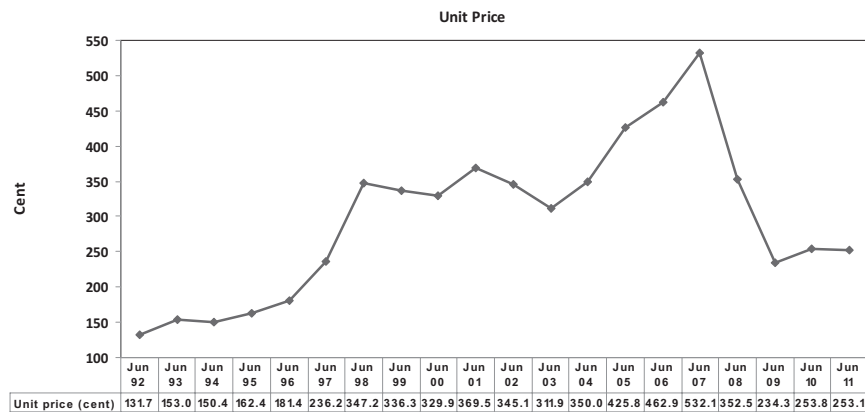
However, the Fund's large holdings in both CRH and E.On detracted from performance, as did its holdings in Irish government bonds. CRH delivered a total return of just -7.0% while E.On returned -5.6% compared to the Dow Jones EuroStoxx 50 Index at 15.4%. The Irish government bond market significantly underperformed other sovereign bond markets returning -21.6% compared to 3.1% for UK Gilts.

The Fund continues to adopt a longer term view for investment and is committed to investing in quality companies with strong balance sheets and management teams which should provide sustainable returns into the future.

The longer term capital performance of the Fund and the historic price of a unit are detailed in the chart below for information.

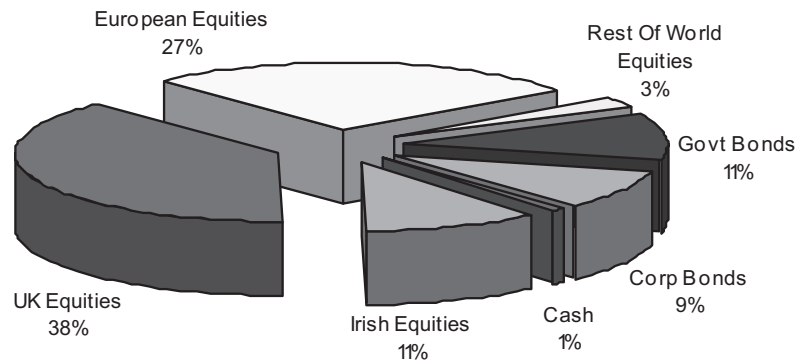
**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
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The historic price of a unit is detailed in the below chart.



**TRUST ASSET DISTRIBUTION**

The investment profile in terms of distribution of the assets (by value) at 30 June 2011 is displayed in the following chart:



The market value of the investments, including the value of the capital deposit account was €133,280,216. Of this figure, the value of euro denominated securities (including some international securities) plus cash held by the Trust was €75,981,456 (57% of the total Fund value).

The value of the UK holdings (denominated in sterling) including sterling cash was £51,717,861 (43% of the Fund). The closing EUR/GBP exchange rate was 0.9026 (2010: 0.8175).

**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
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The ten largest equity holdings at 30 June 2011 were:

	% of Fund		% of Fund
1. CRH	5.2%	6. E.On	2.6%
2. Total	4.5%	7. Eni	2.3%
3. BHP Billiton	3.8%	8. GlaxoSmithKline	2.1%
4. Royal Dutch Shell	3.1%	9. BP	2.0%
5. BG Group	2.7%	10. Scottish & Southern Energy	1.9%

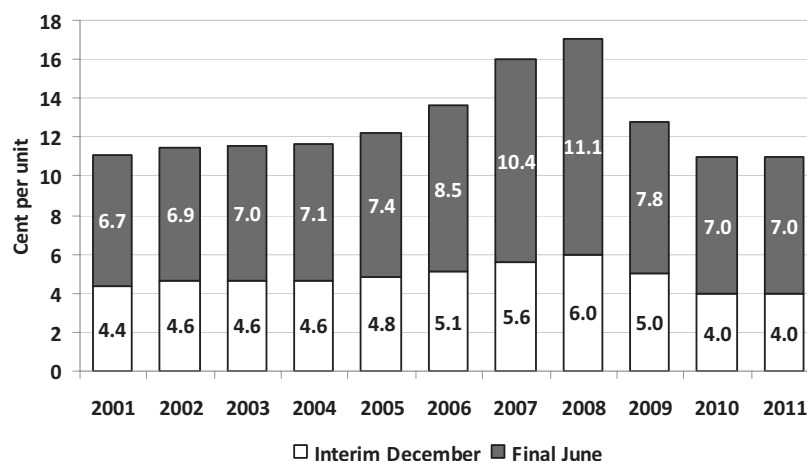
**INCOME DISTRIBUTION TO UNIT HOLDERS**

With some moderate growth appearing in dividends as corporate earnings improved during the year, the Trust agreed to maintain its interim distribution at 4.0 cent and its final distribution at 7.0 cent. Once again, this level of distribution requires the Trustee to supplement the projected income of the Fund by continuing to draw on the Dividend Equalisation Reserve. The balance in the Reserve at the financial year end was €1,772,937 (2010: €1,824,434).

It is hoped that the distribution can be sustained at the current level with dividend growth permitting a gradual reduction in the draw from the Reserve. However, dividend growth may be offset by lower available bond yields as existing higher-yielding bonds held by the Fund mature in the coming years.

Based on the value of a unit at 30 June 2011 of €2.531, and a full year distribution of 11.0 cent, the distribution yield was 4.3%. (The comparative figures for 30 June 2010 also showed a yield of 4.3% based on a unit value then of €2.538 and a full year distribution of 11.0 cent).

**Income Distributions (2001 – 2011) - Financial Year-End 30 June**



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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
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**INPUTS INTO FUND**

There were net inputs of €73,751 into the Fund for the twelve months to 30 June 2011, reflecting new cash of €433,715 less redemptions of €359,964.

**OUTLOOK**

Although volatility and risk aversion increased during the second quarter of 2011, equity markets have actually held up relatively well. However, a number of concerns persist which could provide headwinds to equity market performance in the months ahead.

The outlook for China and the ability of the relevant authorities there to engineer a balance between inflation and growth will be important for the global economy. The economic outlook for the global economy is also being questioned following recent natural catastrophes and the resulting supply chain disruptions and also given the austerity measures being implemented by many countries. Additionally, the debt sustainability of large western economies like the U.S., Italy and Spain is being questioned, particularly given the perceived political inaction both in the U.S. and Europe in dealing with their respective debt problems.

Despite the above macroeconomic factors, corporate balance sheets are actually very healthy with many companies carrying record levels of cash and valuations are not currently unduly stretched, particularly in Europe. Assuming no major policy mistakes by politicians or central bankers, confidence should continue to improve such that companies become more willing to spend their cash, either through greater investment in organic growth or through mergers and acquisitions, which should reward investors.

PM TALBOT  
Head of Investments  
26 July 2011

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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**STATEMENT OF TOTAL RETURN YEAR ENDED 30 JUNE 2011**

	30-Jun-11 €'000	30-Jun-10 €'000
Income	6,054	5,595
Expenses	(21)	-
<b>Net income</b>	<b>6,033</b>	<b>5,595</b>
Net gains / (losses) on investment activities		
- Net realised (losses)	(7,378)	(3,054)
- Net change in unrealised gains on euro investments	1,809	6,162
- Net change in unrealised gains on sterling investments	9,960	5,130
- Net change in currency exchange (losses) /gains	(4,761)	1,869
<b>Total return of the financial year</b>	<b>5,663</b>	<b>15,702</b>
Distributions	(6,085)	(6,047)
<b>Net (decrease) / increase in net assets from investment activities</b>	<b>(422)</b>	<b>9,655</b>
Transfer from dividend equalisation reserve	52	453
Transfer of realised losses from trust capital account	7,378	3,054
Transfer of unrealised (gains to) trust capital account	(11,769)	(11,293)
Transfer of unrealised exchange losses from/(gains to) trust capital account	4,761	(1,869)
	-	-

Signed on behalf of the Trustee: *RS Neill*

*HJ Saville*

Date: 19 October 2011

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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**BALANCE SHEET AS AT 30 JUNE 2011**

	30-Jun-11 €'000	30-Jun-10 €'000
<b>Investments</b>	132,058	131,365
<b>Current assets</b>		
Debtors	3,338	4,663
Cash at bank	-	10
	3,338	4,673
<b>Current liabilities</b>		
Creditors (amounts falling due within one year)	342	636
	342	636
<b>Net current assets</b>	2,996	4,037
<b>Total assets</b>	135,054	135,402
<b>Trust capital fund</b>	135,054	135,402

Signed on behalf of the Trustee: *RS Neill*

*HJ Saville*

Date: 19 October 2011

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**THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)**  
**STATEMENT OF CHANGES IN NET ASSETS**

	30-Jun-11 €'000	30-Jun-10 €'000
Net income	6,033	5,595
Net gains on investment activities	4,391	8,238
Net (losses)/gains on currency movements	(4,761)	1,869
<b>Total return for the financial year</b>	5,663	15,702
Distributions	(6,085)	(6,047)
Proceeds from units issued	434	1,941
Cost of units redeemed	(360)	(635)
<b>Net increase / (decrease) in net assets from unit transactions</b>	(348)	10,961
<b>Net assets</b>		
At beginning of year	135,402	124,441
At end of year	135,054	135,402

Signed on behalf of the Trustee: *RS Neill*  
*HJ Saville*

Date: 19 October 2011

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**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**

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**INVESTMENT MANAGER'S REPORT**

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**YEAR ENDED 30 JUNE 2011**

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**FUND OBJECTIVES**

The objectives of the Fund are (i) to generate a stable income base and, over the longer term, to seek to provide an increasing income stream together with capital appreciation, and (ii) to maintain a balanced spread of investments primarily in UK equities and fixed income stocks.

**MARKET REVIEW**

The UK economy lost some momentum during the year to 30 June with growth slowing to just 0.5% for the first quarter of 2011 on the back of poor performances from the construction and energy sectors. Deficit reducing austerity measures introduced by the Conservative led government, such as increases in the VAT rate and reductions in government expenditure, as well as ongoing high levels of unemployment, low wage growth and high debt levels, continue to impact consumer spending.

Against this economic backdrop, and despite inflation running well above its target at 4.5% at the end of May, the Bank of England maintained interest rates at the historically low level of 0.5%. It is expected that inflationary pressures from commodities and the VAT rises should ease over the next year which, in conjunction with the weak growth environment, should ensure low interest rates for the remainder of 2011.

Sterling appreciated against the U.S. dollar over the twelve month period but it declined in value against a number of other currencies; it depreciated against the euro by 9.4%. Given that many of the companies listed on the UK stock market derive significant portions of their revenues from abroad such currency movements can materially impact the results of those companies reporting in sterling.

Despite the general weakness in the economy, the UK equity market actually had a very robust performance during the year, with the FTSE All Share Index delivering a total return of 25.8%. The UK market's exposure to international mining and oil stocks was beneficial, with companies in these sectors delivering strong gains relative to the broader indices. The Fund's overweight position in such stocks was beneficial.

The UK government bond market also performed strongly relative to other bond markets with the FTSE All UK Gilts Index generating a total return of 3.1% during the year compared to a total return of -1.8% for the Eurobloc government bond market as a whole.

**KEY CHANGES TO THE PORTFOLIO**

During the summer of 2010 the Fund sought to take advantage of volatility and pessimism in equity markets by acquiring solid companies with reasonable dividend yields, such as Tesco and GlaxoSmithKline, at attractive prices. Throughout the year, given that bond yields had fallen significantly compared to the previous year, there was a greater emphasis on identifying good quality equities with good initial yields and attractive dividend growth prospects.

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**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
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This strategy is reflected in the asset allocation at June 2011 where equities comprised 76% of the Fund's assets compared to 69% as at June 2010. There was a corresponding reduction in the Fund's exposure to corporate bonds during the period, from 28% in June 2010 to 20% in 2011. As corporate bond yields fell during the year capital gains on select bonds were realised and predominantly reinvested in equities.

The Fund initiated an exposure to global equities over the period through an investment in an International Equity Income fund using proceeds from the sale of other UK-focused unitised vehicles held for the portfolio. The investment in Global Equity provides greater diversification both in terms of geographical exposure (and income) but also with respect to the investment approach, which seeks to identify inexorable growth trends around the world and then invest in the best companies globally that are best positioned to exploit these trends.

A number of commercial property funds aimed at charities were researched during the year as a result of the attractive yields available following the decline in capital values that occurred over the past few years. It is expected that the Fund will initiate an investment in the near future.

There will continue to be additions to high quality conviction stocks where the dividends are relatively secure, balance sheets are strong and focused management teams are in place. As always, all companies must comply with the Representative Church Body's socially responsible investment policy.

**PERFORMANCE**

During the period under review the capital value of the Fund rose by 16.0% while the total return (capital and income) was 20.7%.

**Benchmark Annualised Total Returns:**

	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>FTSE 100</b>	25.1%	5.9%	4.2%	4.1%
<b>FTSE All UK Gilts</b>	3.1%	7.5%	5.6%	5.6%
<b>RB General Unit Trust (NI)</b>	20.7%	7.0%	4.9%	7.1%

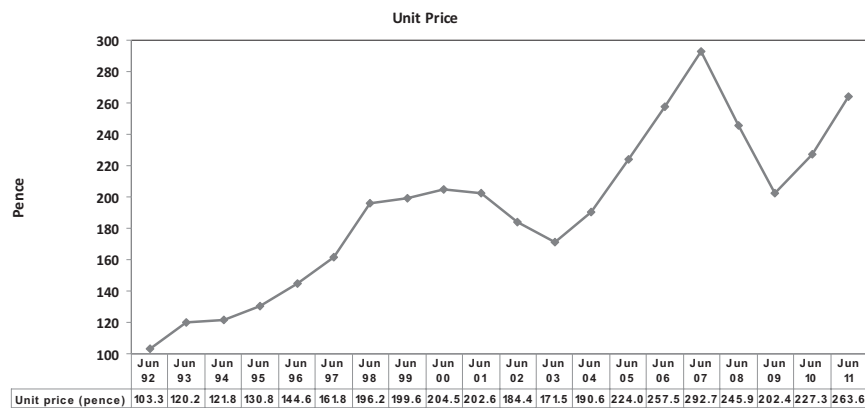
The Fund's exposure to Mining and Oil & Gas stocks contributed positively to performance as these sectors outperformed the broader market and sectoral indices on a relative basis.

The Fund continues to adopt a longer term view for investment and is committed to investing in quality companies with strong balance sheets and management teams which should provide sustainable returns into the future.

**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
**YEAR ENDED 30 JUNE 2011**

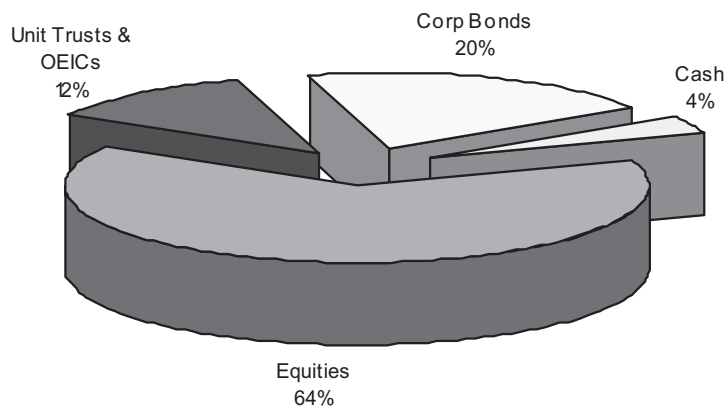
The longer term capital performance of the Fund and the historic price of a unit are detailed in the chart below for information.

The historic unit price is detailed in the below chart.



**TRUST ASSET DISTRIBUTION**

The investment profile in terms of distribution of the assets (by value) at 30 June 2011 is displayed in the following chart:



The market value of the investments, including the value of the capital deposit account, was £35,992,773 at 30 June 2011.

**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
**YEAR ENDED 30 JUNE 2011**

**The ten largest equity holdings at 30 June 2011 were:**

	% of Fund		% of Fund
1. BHP Billiton	6.8	6. Diageo	2.8
2. Royal Dutch Shell	4.4	7. Scottish & Southern	2.8
3. BG Group	3.9	8. AMEC	2.6
4. GlaxoSmithKline	3.9	9. Alliance Trust	2.4
5. BP	3.4	10. Smith (DS)	1.7

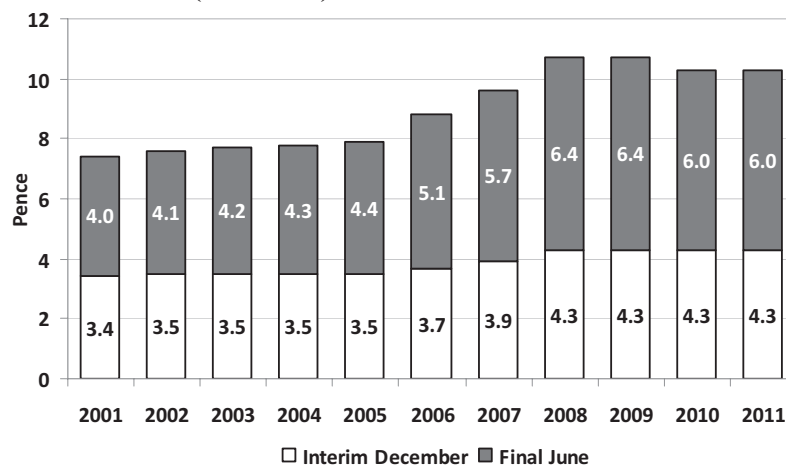
**INCOME DISTRIBUTION TO UNIT HOLDERS**

With some moderate growth appearing in dividends as corporate earnings improved during the year, the Trust agreed to maintain its interim distribution at 4.3 pence and its final distribution at 6.0 pence. Once again, this level of distribution required the Trustee to supplement the projected income of the Fund by continuing to draw on the Dividend Equalisation Reserve. The balance in the Reserve at the financial year end was £201,288 (2010: £219,915).

It is hoped that with dividend growth on the underlying assets, the distribution can be sustained at the current level permitting a gradual reduction in the draw from the Reserve. However, dividend growth may be offset by lower available bond yields as existing higher-yielding bonds held by the Fund mature in the coming years.

Based on the value of a unit at 30 June 2011 of £2.636, and a full year distribution of 10.3 pence, the distribution yield was 3.9%. (The comparative figures for 30 June 2010 showed a yield of 4.5% based on a unit value then of £2.273 and a full year distribution of 10.3 pence.)

**Income Distributions (2001 – 2011) - Financial Year-End 30 June**



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**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
**INVESTMENT MANAGER'S REPORT**  
**YEAR ENDED 30 JUNE 2011**

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**INPUTS INTO FUND**

There were net inputs of £845,247 into the Fund for the twelve months, reflecting new cash of £1,539,140 less redemptions of £693,893.

**OUTLOOK**

Although volatility and risk aversion increased during the second quarter of 2011, equity markets have held up relatively well, both in the U.K. and globally. However, a number of macro concerns persist which could provide headwinds to equity market performance in the months ahead.

The outlook for China and the ability of the relevant authorities there to engineer a balance between inflation and growth will be important for the global economy, and especially for U.K. listed companies that generate significant non-domestic revenues. The economic outlook for the global economy is also being questioned following recent natural catastrophes and the resulting supply chain disruptions and in the U.K. the recently implemented austerity measures are already having an impact.

Additionally, the debt sustainability of large western economies like the U.S., Italy and Spain is being questioned, particularly given the perceived political inaction both in the U.S. and Europe in dealing with their respective debt problems. However, the strong deficit reduction measures initiated by the U.K. government, as well as the options available to it by virtue of having its own central bank and currency, should mean that U.K. government debt and yields don't suffer the fate of other European countries.

Despite the above macroeconomic headwinds, corporate balance sheets are actually very healthy with many companies carrying record levels of cash and valuations are not currently unduly stretched, particularly in the U.K. and Europe. Assuming no major policy mistakes by politicians or central bankers, confidence should continue to improve such that companies become more willing to spend their cash, either through greater investment in organic growth or through mergers and acquisitions, which should reward investors.

PM TALBOT  
Head of Investments  
26 July 2011

The Representative Church Body – Report 2012

**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
**STATEMENT OF TOTAL RETURN**

	30-Jun-11 £	30-Jun-10 £
Income	1,447	1,389
Expenses	(5)	-
<b>Net income</b>	<u>1,442</u>	<u>1,389</u>
<b>Net gains / (losses) on investment activities</b>		
- Net realised (losses)	(84)	(264)
- Net change in unrealised gains	4,943	3,402
<b>Total return for the financial year</b>	<u>6,301</u>	<u>4,527</u>
Distributions	<u>(1,460)</u>	<u>(1,427)</u>
<b>Net increase in net assets from investment activities</b>	4,841	3,100
Transfer from dividend equalisation reserve	18	38
Transfer of realised losses from trust capital account	84	264
Transfer of unrealised (gains to) trust capital account	(4,943)	(3,402)
	<u>-</u>	<u>-</u>

Signed on behalf of the Trustee:

*RS Neill*

*HJ Saville*

Date:

19 October 2011

The Representative Church Body – Report 2012

**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
**BALANCE SHEET AS AT 30 JUNE 2011**

	30-Jun-11 £	30-Jun-10 £
<b>Investments</b>	34,595	29,417
<b>Current assets</b>		
Debtors	1,605	1,096
Cash at bank	-	3
	1,605	1,099
<b>Current liabilities</b>		
Creditors (amounts falling due within 1 year)	6	8
<b>Net current assets</b>	1,599	1,091
<b>Total fund net assets</b>	36,194	30,508
<b>Trust capital fund</b>	36,194	30,508

Signed on behalf of the Trustee:

*RS Neill*  
*HJ Saville*

Date:

19 October 2011

The Representative Church Body – Report 2012

**THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)**  
**STATEMENT OF CHANGES IN NET ASSETS**

	30-Jun-11 £	30-Jun-10 £
Net income	1,442	1,389
Net gains on investment activities	4,859	3,138
<b>Total return for the financial year</b>	<b>6,301</b>	<b>4,527</b>
Distributions	(1,460)	(1,427)
Proceeds from units issued	1,539	1,772
Cost of units redeemed	(694)	(114)
<b>Net increase in net assets from unit transactions</b>	<b>5,686</b>	<b>4,758</b>
<b>Net assets</b>		
At beginning of year	30,508	25,750
At end of year	36,194	30,508

Signed on behalf of the Trustee: *RS Neill*  
*HJ Saville*  
Date: 19 October 2011

**APPENDIX E**

**THE REPRESENTATIVE CHURCH BODY (“RCB”)**

**STATEMENT OF INVESTMENT POLICY PRINCIPLES  
FOR IN-HOUSE FUNDS (2011)**

**1. Introduction**

The purpose of this Statement of Investment Policy Principles (the “Statement”) is to document the policies and guidelines that govern the management of the assets of RCB in-house funds (the Funds). It has been reviewed and adopted by the Investment Committee (“IC”) on behalf of the RCB (as Trustee of the Funds) and outlines the responsibilities (Section 3), objectives (Section 4), and risk management policies and processes (Sections 5 and 6) in order that:

- a) There is a clear understanding on the part of the Trustee and the in-house investment team (the “Manager”) as to the objectives and policies.
- b) There are clear principles governing the guidelines and restrictions to be presented to the Manager regarding its investment of the Funds’ assets.
- c) The Trustee has a meaningful basis for the evaluation of the investment performance of the Manager, the investment performance of the Funds as a whole and the success of overall investment strategy through realisation of defined investment objectives.

This Statement (having been first implemented in 2009) will be reviewed at least every three years, and also following any change in investment policy which impacts on the content of the Statement.

**2. Overview of Funds managed in-house**

- a) **General Fund (in-house)** – part of the RCB’s General Funds. The RCB’s General Funds are intended for the sustentation of the ministry of the Church of Ireland. The income on the total General Funds is available to fund the allocations determined by the RCB and the operating expenditure of the RCB. The General Funds will be managed on a ‘Total Return’ basis with effect from 1 January 2012, from which point the ‘spending rule’, as determined under the Total Return policy, will dictate the allowable level of withdrawal to fund the allocations and may be a combination of income and capital.
- b) **RB General Unit Trust (RI)** – a Common Investment Fund established under a specific Trust Deed for the investment of funds entrusted to the RCB for or by parishes and dioceses in the Republic of Ireland or for specific/general purposes or for any other trust funds administered by trustees other than the RCB which have a connection with the Church of Ireland.

## The Representative Church Body – Report 2012

- c) **RB General Unit Trust (NI)** – a Common Investment Fund established under a specific Trust Deed for the investment of funds entrusted to the RCB for or by parishes and dioceses in Northern Ireland or for specific/general purposes or for any other trust funds administered by trustees other than the RCB which have a connection with the Church of Ireland.
- d) **Allocations Reserve** – a fund, which is primarily invested in euro and/or sterling cash and government gilts, to provide some protection to the RCB against the possibility of being unable to meet allocations commitments in a particular year.

### 3. Management Structures and identification of Investment Responsibilities

#### a) The Trustee

The RCB is the Trustee. For the purposes of this Statement, the RCB is also deemed to be the Trustee for those trust funds administered by trustees other than the RCB as set out in section 2 (b) and (c).

#### b) The Investment Committee

The IC has been delegated responsibility by the RCB for overseeing and monitoring the performance of the funds' investments (as set out in section 2) and in turn has delegated the investment management to the in-house investment team. The specific responsibilities of the IC (which at all times is answerable to the Representative Body, through the Executive Committee) include:

- i. Determining the investment objectives of each of the Funds in terms of achieving the desired balance between income and capital growth and/or total return where appropriate with due regard to risk and currency
- ii. Identifying the Funds' risk tolerance levels or appetite for risk
- iii. The approval of the investment manager's strategy and asset allocation including guidelines/operational parameters and benchmarks
- iv. The approval of the criteria for social and responsible investment and reporting thereon to the RCB
- v. Monitoring and evaluating performance results
- vi. Monitoring purchases and sales of stocks and trading patterns generally
- vii. Monitoring, and if necessary changing, the custodians, consultants and others that provide services to the Funds relating to the investment or custody of assets
- viii. Making recommendations to the Chief Officer on staffing

The Representative Church Body – Report 2012

- ix. Reporting on a regular basis to the Executive Committee of the RCB and to the RCB as required
- x. Reporting to the representatives of the unit holders in respect of the RB General Unit Trusts
- xi. Regularly reviewing this Statement, and revising as necessary

**c) The Investment Manager** (in-house investment team)

The Manager shall exercise a high degree of professionalism, prudence, skill and diligence.

The Manager's responsibilities include:

- i. Stock selection within parameters set by the IC
- ii. Making recommendations to assist the IC in the implementation of strategic issues on asset allocation, suitable benchmarks and risk exposures
- iii. Analysis and recommendation of suitable investment products or external fund managers
- iv. Preparation of investment reports for the IC
- v. Attending regular performance reviews with the IC throughout the year
- vi. Monitoring market developments and taking timely action to safeguard the integrity of the Funds (within the agreed investment strategy)
- vii. Implementing the Socially Responsible Investment requirements of the Trustee and undertaking an annual review of its compliance therewith

**d) The Administrator** (in-house Finance team)

The role of the Administrator is to ensure the security of the assets under management, to monitor and ensure receipt of related entitlements, to execute transactions, and to provide all necessary records and analysis to support the effective management of the funds.

The Administrator reports directly to the IC.

The Administrator will:

- i. Perform the administration role independent of the fund management function
- ii. Maintain robust, secure and efficient processes
- iii. Maintain a clear, accurate, up to date and accessible record of the history and status of the funds, and of individual assets in the funds

#### The Representative Church Body – Report 2012

- iv. Ensure timely execution of transactions
- v. Monitor transactions and report on these in a timely and accurate manner
- vi. Provide all appropriate reports and analysis in a clear, timely and accurate fashion to support the effective management and security of the funds
- vii. Maintain and verify holdings and entitlements, and ensure that title is clear
- viii. Consult with Custodian in relation to the assets and/or any relevant corporate actions, proxy voting etc.
- ix. Manage and monitor the performance of the Custodian.

**e) The Custodian (Northern Trust)**

The Executive Committee on 15 June 2010 appointed Northern Trust as Custodian.

The role of the Custodian is to hold in safekeeping the relevant assets of the Representative Body including securities such as stocks, bonds and currency (cash), domestic and foreign. The Custodian will report to the administrator and provide any documentation needed in order to:

- i. Arrange settlement of any purchases and sales and deliveries in/out of such securities and currency
- ii. collect information on and income from such assets (dividends in the case of stocks/equities and coupons (interest payments) in the case of bonds) and administer related tax withholding documents and foreign tax reclamation
- iii. administer voluntary and involuntary corporate actions on securities held such as stock dividends, splits, business combinations (mergers), tender offers, bond calls, etc.
- iv. provide information on the securities and their issuers such as annual general meetings and related proxies
- v. maintain currency/cash bank accounts, effect deposits and withdrawals and manage other cash transactions
- vi. perform foreign exchange transactions if required
- vii. Managing a record of securities, purchases and sales and corporate actions, and provide valuations as required in an accurate and timely manner.

#### **4. Investment Objective**

It is the Representative Body's responsibility to approve the investment objectives set by the IC.

The IC has set the investment objective of the Manager to be to maximise the level of investment return at an acceptable level of risk, through adopting a prudent and well-executed investment strategy within income and socially responsible investment guidelines.

Investment guidelines are based on a long term investment horizon.

#### **5. Risk Management Policy**

The Manager will adhere to the policies and guidelines decided by the IC

- a) Investments in equities and fixed interest stocks are limited, with specific, pre-agreed exceptions, to marketable securities traded on recognised/regulated markets.
- b) The use of futures, options and other financial derivatives are only permitted with the express permission of, and minuted by, the IC. Such instruments may not be used to gear the portfolio.
- c) The portfolio is properly diversified in such a way that no one stock (with the exception of sovereign debt and pooled investments) may be more than 5% of the Fund so as to limit excessive reliance on any particular asset, issuer or group of undertakings and so as to limit accumulations of risk in the portfolio as a whole. However, in the case of significant share price appreciation of an existing holding, while the manager may not add to a stock once it exceeds 5% of the portfolio by market value, the stock may continue to be held and permitted to increase to a maximum of 10% of the portfolio value within a time frame agreed with the IC.
- d) The annual review of Investment Strategy will specify limits for aggregate holdings (equity and bonds) in any one company and will be stated in the annual review of Investment Strategy.
- e) The Socially Responsible Investment (SRI) guidelines

#### **6. Asset Allocation**

The asset allocation mix should suitably reflect the specific investment objectives of the individual Funds.

Irish, European, UK, US and Global equities and fixed income (Euro and Sterling) are viewed as appropriate assets for the Funds, being mindful of currency risks and asset and liability matching. The Manager will also review, subject to its appropriate

## The Representative Church Body – Report 2012

risk management processes, a range of alternative investment products including property, venture capital, debentures etc. in order to create a prudent, diversified and efficient portfolio while at all times being conscious of the currency of the liabilities and demands on the assets.

The Manager shall consult with and obtain permission from the IC, or if time is critical from the Chair or his nominee, before investing in untried or non-routine investment products.

Alternative investment products or funds may be included where derivatives are used; however, such products or funds must be approved by the IC.

Rebalancing between the asset classes or expansion of investment brief to take place as agreed with the IC.

The asset allocation is kept under constant review by the IC. It recognises that the strategy would expect the Funds to achieve their objectives over the longer term but that they may not always be achievable in the short term.

The performance benchmark(s) are agreed with the IC and may be amended at the discretion of the IC.

10 November 2011

*The Statement of Investment Policy Principles for in-house funds was agreed by the Executive Committee on 14 October 2009.*

*The Statement was modified in November 2011 to include reference to the responsibilities of the Custodian and the Total Return approach to be adopted in the management of the General Funds portfolio.*

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**APPENDIX F**

**THE CHURCH OF IRELAND  
CLERGY PENSIONS TRUSTEE LIMITED**

**REPORT ON THE CLERGY PENSIONS FUND  
FOR THE  
YEAR ENDED 31 DECEMBER 2011**

## The Representative Church Body – Report 2012

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**THE TRUSTEE AND ITS ADVISORS**

<b>Trustee</b>	The Church of Ireland Clergy Pensions Trustee Limited
<b>Registered Office</b>	Church of Ireland House, Church Avenue, Rathmines, Dublin 6 Tel 01-4978422 Fax 01-4978821 Email <a href="mailto:pensiontrustee@rcbdub.org">pensiontrustee@rcbdub.org</a> Web <a href="http://www.ireland.anglican.org/clergypensions">www.ireland.anglican.org/clergypensions</a> Company Registered in Ireland No 492302
<b>Trustee Directors</b>	<i>Nominated by the RCB Executive Committee</i> Mr Geoffrey Perrin Mr Terence Forsyth Mr John Wallace  <i>Nominated by the Church of Ireland Pensions Board</i> Rt Rev Paul Colton Mr Bruce Maxwell (Chairman)
<b>Company Secretary</b>	Mr Denis Reardon, Chief Officer and Secretary, Representative Church Body
<b>Fund Management and Advisory</b>	The Representative Church Body, Church of Ireland House, Church Avenue, Rathmines, Dublin 6
<b>Investment Managers</b>	Irish Life Investment Managers, Beresford Court, Dublin 1
<b>Investment Custodians</b>	Citibank, 1 North Wall Quay, Dublin 1
<b>Scheme Actuary</b>	Mr Paul McMahon FSAI, Mercer, Charlotte House, Charlemont Street, Dublin 2
<b>Consulting Actuaries</b>	Mercer Actuarial Services, Charlotte House, Charlemont Street, Dublin 2
<b>Auditors</b>	PricewaterhouseCoopers, Chartered Accountants and Registered Auditors, Spencer Dock, Dublin 1
<b>Solicitor</b>	Mr Mark McWha, Senior Solicitor, Representative Church Body
<b>Bankers</b>	Bank of Ireland, College Green, Dublin 2 Bank of Ireland, Talbot Street, Dublin 1
<b>Sponsor</b>	The Representative Church Body, Church of Ireland House, Church Avenue, Rathmines, Dublin 6
<b>Registered Administrator</b>	The Representative Church Body, Church of Ireland House, Church Avenue, Rathmines, Dublin 6
<b>Enquiries</b>	The Company Secretary, Church of Ireland Clergy Pensions Trustee Limited, Church of Ireland House, Church Avenue, Rathmines, Dublin 6

The Clergy Pensions Fund is *An Bord Pinsean* Scheme no PB1667.

## The Representative Church Body – Report 2012

### CHAIRMAN'S STATEMENT

This report relates to the Church of Ireland Clergy Pensions Fund for the year ended 31 December 2011 and is intended to give all the essential information on the financial position of the Fund, its investment performance over the year and other relevant matters that occurred during the year.

**The new Trustee Company** - A new Trustee company was formed during 2010 to act as Trustee to the Fund with effect from 1 January 2011. The Directors of the Trustee Company were nominated by the RCB Executive Committee and the Church of Ireland Pensions Board. My fellow Directors elected me as Chairman of the Board, a role which I aim to fulfil to the best of my abilities.

Individual trustees are required to undergo training for their role and each Director duly completed the training within months of being appointed. Following this, we spent some time identifying which Trustee duties are best handled by the bodies already in situ within the RCB structures, and which matters have to be handled by the Trustee Company itself. We identified the duties which will be best managed by the RCB administration department, the Church of Ireland Pensions Board and the RCB Investment Committee. I am pleased to report that each of these bodies willingly accepted the duties delegated to them and each is establishing the appropriate method to report to the Trustee on their duties. The ultimate responsibility for all of the delegated duties rests with the Trustee. A report to the Trustee from the Church of Ireland Pensions Board (the "Board") which covers the duties taken on by the Board can be found in Annex 1 to this report (page 145). The relationship between the Trustee and the Board is a very positive one and I am confident that the Fund will continue to be administered efficiently and effectively. I wish to thank the Board, the Investment Committee and the RCB administration department for their work on behalf of the Fund during the past year.

**The performance of the Fund in 2011** - During the year the total Fund assets increased by €0.4m to €108.2m at 31 December 2011. There was a negative return on assets of -2.0% but this was offset by the additional tranche of €5m injected into the Fund by the Representative Church Body in its capacity as Sponsor, as agreed by Synod 2010. Further details on the Fund investment performance are set out in the report (page 127).

**Investment Strategy** - During 2012 the Trustee intends to review with the Sponsor the current investment strategy being pursued by the Fund, taking particular note of the ageing profile of the members and the large numbers of pensioners relative to active members. The membership details for the Fund are shown in the report on page 147.

**The Pensions Levy** - The Fund was hit by the new levy on the assets of Defined Benefit pension plans introduced by the Irish government in 2011. This levy, calculated as 0.6% of Fund assets, was applied to the value of the assets of the Fund attributable to Republic of Ireland members. The Trustee and the Sponsor are monitoring the impact the levy is having on the Fund. This issue will be addressed in the context of the funding strategy to be adopted for the Fund, both for minimum funding standard purposes and the on-going regular funding valuation.

## The Representative Church Body – Report 2012

**The Solvency of the Fund** - The Fund has been in a difficult financial position for some years now and previous reports have outlined the continuing efforts made to address the deficit in the Fund. New proposals to address the funding situation were being developed by the Sponsor in 2010 and 2011, and certain proposals were implemented following General Synod 2010. However, a Funding Proposal has yet to be submitted to *An Bord Pinsean* as the new regulations on minimum funding standards for defined benefit schemes have not yet been issued. The Fund Sponsor is continuing to explore various possibilities to address the problem and the Trustee has been kept informed about this work.

The Trustee met with representatives of the Sponsor and the Actuary in January 2012, where lengthy discussions took place on the financial position of the Fund. The Trustee understands that the Sponsor is seeking to maintain the defined benefit scheme, at least for current members, while recognising that this has to be affordable to all the contributors, including the members. The Trustee will continue its liaison with the Sponsor and the Actuary during the coming year, to enable the Trustee to consider the changes in benefits being proposed in the context of the members' interests and the interest of the long-term sustainability of the Fund. The Trustee will be involved with the Sponsor and Actuary when the new rules for the minimum funding standard are eventually published, as at that stage, a Funding Proposal identifying how the solvency of the Fund will be restored will have to be developed and submitted to *An Bord Pinsean*. The Trustee will also play its part in the regular triennial actuarial review of the Fund, due to be prepared as of 30 September 2012.

I take this opportunity to thank my fellow Director trustees and the Secretary of the Fund and the staff in Church House for their dedication and hard work during the past year.

*BN Maxwell*  
Chairman  
12 March 2012

## INTRODUCTION

The Trustee presents the annual report on the operation of the Clergy Pensions Fund for the year ended 31 December 2011. The purpose of this report is to communicate with members of the Fund on the operation of the Fund and its financial position, to report to the Representative Church Body in its capacity as sole member of the Trustee, and to report to the General Synod in accordance with Section 12 (1) (o) of Chapter XIV of the *Constitution of the Church of Ireland*. The report covers the main areas of Fund activity including financial statements, actuarial and investment management, and also looks at developments during the year. The content of this report conforms to the Occupational Pensions Schemes (Disclosure of Information) Regulations, 2006 prescribed by the Minister for Social Protection under the Pensions Act 1990.

## **CONSTITUTION OF THE FUND**

The Clergy Pensions Fund, which is a defined benefit scheme, is established under Chapter XIV of the *Constitution of the Church of Ireland* as amended from time to time by the General Synod. In accordance with the latest revision of Chapter XIV, which was carried out in 2010, the Church of Ireland Clergy Pensions Trustee Limited assumed responsibility for acting as Trustee of the Clergy Pensions Fund with effect from 1 January 2011. The Representative Church Body is the sole member of the Church of Ireland Clergy Pensions Trustee Limited.

The Fund has been approved by the Revenue Commissioners as a retirement benefits scheme under Part 30, Chapter I of the Taxes Consolidation Act, 1997, and is treated as an “exempt approved scheme” for the purposes of that Act. In addition, the Fund, has been approved by the Board of the Inland Revenue of the United Kingdom as a retirement benefits scheme for the purposes of Chapter I, Part XIV, Income and Corporation Taxes Act 1988 and is treated as an “exempt approved scheme” for the purposes of Section 592 of that Act in relation to its provision of pension benefits to those members of the clergy who are living in Northern Ireland.

## **THE TRUSTEE**

The Church of Ireland Clergy Pensions Trustee Limited is the sole Trustee of the Church of Ireland Clergy Pensions Fund and is responsible for the stewardship of the Fund assets in accordance with the provisions of Chapter XIV of the *Constitution of the Church of Ireland* (the Trust Deed and Rules of the Fund). The powers and duties of the Trustee are set out in section 12(1) of Chapter XIV. In accordance with the provisions of Chapter XIV certain duties have been delegated by the Trustee to the Representative Church Body, the Church of Ireland Pensions Board and the RB Investment Committee. The Statement of the Trustee’s Responsibilities in relation to the financial statements is set out on page 133.

The Trustee Directors are appointed by the Representative Church Body, in accordance with the articles of the company, on the nomination of the Church of Ireland Pensions Board and the Executive Committee of the Representative Church Body. The Trustee Directors and the administrators have access to a copy of the Trustee Handbook and Guidance notes issued by *An Bord Pinsean*. The Trustee Directors have completed appropriate training for their duties and responsibilities, however no costs or expenses were incurred in respect of Trustee Director training during the year.

## **MEMBERSHIP**

The Fund is relatively mature in relation to the composition of active (contributing) members and pensioners. At 31 December 2011 there were 457 active members (2010: 477) and 267 pensioners (2010: 250). In addition there were 208 surviving spouses on pension (2010: 212) and 105 members with entitlement to deferred benefits (2010: 98).

The age profile of contributing members shows 13% under age 40 years and 28% over age 50 years.

## The Representative Church Body – Report 2012

The Fund is open to new members.

Detailed figures on the membership of the Fund are reported by the Church of Ireland Pensions Board in Annex 1 to this report (see page 147).

### **BENEFITS**

During the year €6.7m was paid out in pension benefits, compared with €6.5m the previous year. A breakdown of these figures is included in the report of the Church of Ireland Pensions Board in Annex 1 to this report (see page 145).

**Discretionary increases to pensions in payment** – in accordance with the Rules of the scheme, annual discretionary increases to pensions in payment are permitted up to a maximum of 5% as the Trustee on the advice of the Actuary and with the approval of the RCB may determine. Due to the financial state of the Fund no discretionary increases in pensions in payment have been applied since 2009 and this remains the position for 2012.

**Statutory increases in UK pensions for service post April 1997** – under UK pensions legislation statutory increases must be applied to a pension which relates to service completed in that jurisdiction for the period (i) 6 April 1997 to 5 April 2005 or normal retirement age, if earlier, by the annualised rate of inflation up to a maximum of 5% and (ii) 6 April 2005 to date of retirement, whether that be on or before normal retirement age, by the annualised rate of inflation up to a maximum of 2.5%.

The UK annualised rate of inflation to September 2011 was 5.6%; accordingly, on 1 January 2012 under (i) above a 5% increase was applied and under (ii) a 2.5% increase was applied. These increases relate to the service periods outlined at (i) and (ii) in the previous paragraph.

There is no similar pensions legislation in the Republic of Ireland.

**Deferred pensions** – deferred pensions are revalued in accordance with the relevant statutory provisions.

### **PENSIONABLE STIPEND**

In accordance with the provisions of Chapter XIV of the *Constitution of the Church of Ireland*, levels of Pensionable Stipend for Northern Ireland and the Republic of Ireland are fixed annually by the Standing Committee on the recommendation of the Representative Church Body and the Trustee.

It was agreed by the Standing Committee in September 2011 that Pensionable Stipend levels with effect from 1 January 2012 should remain unchanged from 2011 at £25,498 per annum in Northern Ireland and €36,219 per annum in the Republic of Ireland.

## The Representative Church Body – Report 2012

### MANAGEMENT AND ADMINISTRATION OF THE FUND

The Representative Church Body was appointed by the Trustee as the Registered Administrator for the Fund. The duties of a registered administrator include preparing the Trustee Annual Report and Accounts, which should include at least the specific information set out in the regulations to the Pensions Act, and providing annual benefit statements to members. In addition to this, the RCB provides administration relating to investments, benefits and accounting controls.

The Church of Ireland Pensions Board also carries out certain duties relating to the administration of the Fund as delegated to the Board by the Trustee in accordance with the provisions of Chapter XIV of the *Constitution of the Church of Ireland*. A report from the Board is included in Annex 1 to this report (page 145).

Actuarial advice is provided by Mercer Actuarial Services, Dublin. Investment management is undertaken by external investment managers in accordance with a formal fund management agreement. The costs in relation to administration, administrative actuarial advice and investment management are charged to the Fund.

### STATEMENT OF RISK

Under law, the Trustee is required to describe the condition of the Fund and the risks associated with the Fund, and disclose these to members. The full risk statement can be found in Annex 2 to this report (page 152).

The Fund operates on a “defined benefit” basis. The risks in such an arrangement are generally classified as financial or operational. In any defined benefit arrangement, the main risk is that there will be a shortfall in the assets (for whatever reason) and the Sponsor will not be willing or able to pay the necessary contributions to make up the shortfall. If that occurs, members may not receive their anticipated benefit entitlements. Some of the reasons why a shortfall could occur are set out in the full document.

Another risk is that the Sponsor may for some reason decide to cease its liability to contribute to the Fund. In this event, the Fund may be wound up, future accrual of benefits may cease and accrued entitlements would be discharged from the available assets (which may or may not be sufficient to discharge member benefit expectations, as outlined above). In accordance with Section 10 of Chapter XIV of the *Constitution of the Church of Ireland* it would require a decision to be taken at the General Synod for the Fund to be wound up.

Various actions have been taken by the Trustee to mitigate the risks. Professional investment managers have been appointed to manage the Fund assets, which are invested in a range of diversified assets. There is regular monitoring of how these investments are performing. An actuarial valuation of the Fund is carried out at least every three years to assess the financial condition of the Fund and determine the rate of contributions required to meet the future liabilities of the Fund. In addition, an annual review of the solvency position of the Fund is carried out on the assumption that it is wound up at that time. If the Fund is found to be insolvent on this basis, the Trustee and the Sponsor are required to complete a funding proposal for submission to *An Bord Pinsean*, with the objective of returning the Fund to solvency.

## The Representative Church Body – Report 2012

The Trustee is satisfied that it is taking all reasonable steps, including the appointment of experienced professional advisers and administrators, to protect the members of the Fund from the effects of these risks. However, it is not possible to guard against every eventuality, and it is necessary to take some investment risk and other risks in order to manage the affordability of the Plan benefits and the capacity of the Sponsor to meet this commitment.

### FINANCIAL POSITION OF THE FUND

Having allowed for benefits paid and contributions received, the Fund increased in value by 0.4% in the year to 31 December 2011, growing from €107.8m to €108.2m. The increase was due to the extra contributions made, as investment performance was a loss of €2.0m.

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 last actuarial valuation of the Fund was carried out as at 30 September 2009. Based on the valuation, the Actuary reported that, in common with many defined benefit schemes at this time, the Fund did not satisfy the statutory Minimum Funding Standard under Section 44 of the Pensions Act.

The Actuary is required annually to produce a certificate commenting on the status of the funding of the Fund. The Actuarial Certificate at 31 December 2011 states that the Actuary is not satisfied that as at 31 December 2011 the Fund would have met the Minimum Funding Standard under Section 44 of the Pensions Act.

A copy of the Actuarial Funding Certificate as submitted to *An Bord Pinsean* is included as Annex 3 to this report (page 154) and a copy of the Actuarial Certificate as at 31 December 2011 is included as Annex 4 (page 156).

As mentioned in the Chairman's Statement, the Sponsor is developing proposals to address the deficit in the Fund. The Trustee will liaise with the Sponsor in this regard during 2012.

### GOVERNMENT LEVY ON PENSION SCHEMES (REPUBLIC OF IRELAND)

The Trustee in late 2011 received correspondence from the RCB Executive Committee indicating that the Executive had considered the funding of the four year government levy on pension schemes in the Republic of Ireland and had agreed that no funding decision be taken specific to the impact of the levy, but that such impact be considered together with all of the other influences on funding, including the resolution of the current Minimum Funding Standard deficit. The Sponsor confirmed that this proposed course of action had been discussed with the Actuary, who had stated that he did not have a difficulty with the proposal. The Sponsor intended that the levy charge in respect of the year 2011 should be absorbed by the Clergy Pensions Fund but no similar commitment was made in relation to any subsequent years.

The Trustee is monitoring the situation to assess the implications of the reduction in the Fund's assets due to the levy, in the context of proposals being prepared by the Sponsor to address the overall deficit in the Fund.

## **INVESTMENT APPROACH**

The investment objectives for the Fund are to maximise total returns through diversified portfolios of equity, fixed interest, property and cash investments having regard to liability restraints, cash flow, interest rate and currency movements. The Trustee reviews investment objectives to ensure that these are appropriate to the profile of the Fund.

A Statement of Investment Policy Principles (SIPP) sets out the investment policy for the management of the assets of the Fund. A copy of the existing SIPP, as adopted by the Representative Church Body prior to the change in trusteeship, is included as Annex 5 to this report (page 157). The existing Statement has been formally noted by the Trustee and will be reviewed in 2012 with particular focus on the strategic asset allocation. As part of the review the Trustee will take expert investment and actuarial advice and consult the Sponsor.

Investment management of the equity and fixed interest elements of the Clergy Pensions Fund was transferred to Irish Life Investment Managers with effect from 24 January 2008. Property and Venture Capital investments continue to be managed by other managers. The asset distribution at 31 December 2011 is shown on page 128.

## **SOCIALLY RESPONSIBLE INVESTMENT (SRI)**

The RCB Investment Committee annually reviews social, environmental and ethical issues with the investment manager(s) for the selection, retention and realisation of all the investments of the Representative Church Body. In 2011 the RCB Investment Committee monitored and carried out its annual SRI assessment of individual stock holdings within the various portfolios and excluded stocks where it was deemed appropriate.

In December 2011 the Investment Committee reported to the Representative Church 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 C to the report of the Representative Church Body (*Church of Ireland General Synod Reports 2012*, page 91).

## **INVESTMENT REPORT**

### **Investment Performance**

A report from the Investment Manager, including a review of investment markets in 2011 and expectations for 2012, is included in Annex 6 to this report (page 162). The equities and fixed interest bonds in the Fund are managed by Irish Life Investment Managers on an indexed (passive) basis replicating the performance of a particular index. Certain equities are excluded on socially responsible investing (SRI) grounds.

The composite return for the equity and bonds funds for the 12 months to 31 December 2011 was -2.0% (2010: +11.4%, 2009: +26.1%). The 2011 return compared with a benchmark return of -1.4%. The investment return needs to be in the region of +5.25% to meet the assumptions made in the actuarial valuation basis that determines the long term funding rate.

## The Representative Church Body – Report 2012

The asset valuation and distribution of the Fund are set out in the following tables.

<b>Asset Valuation</b>	<b>31 Dec 2011</b>	<b>31 Dec 2010</b>
	€'000	€'000
ILIM Irish Fund	50,273	51,901
ILIM UK Fund	49,831	52,764
Property / Venture Capital	3,071	3,084
Cash	5,053	-
	<b>108,228</b>	<b>107,749</b>

<b>Asset Distribution</b>	<b>Country</b>	<b>31 Dec 2011</b>	<b>31 Dec 2010</b>
		%	%
Equity	Europe	32.0	37.2
	UK	31.7	33.3
	US / Rest of World	11.4	11.3
<b>Equity Total</b>		<b>75.1</b>	<b>81.8</b>
Fixed Interest	Europe	8.4	8.2
	UK	9.1	7.2
<b>Fixed Interest Total</b>		<b>17.4</b>	<b>15.4</b>
<b>Property Total</b>		<b>2.7</b>	<b>2.7</b>
<b>Venture Capital Total</b>		<b>0.2</b>	<b>0.1</b>
<b>Cash</b>		<b>4.6</b>	<b>0.0</b>
<b>Grand Total</b>		<b>100.0%</b>	<b>100.0%</b>

### **Custody of Investment Assets**

Citibank was the custodian of the unit-linked funds held by Irish Life Investment Managers (ILIM) for the Clergy Pensions Fund for the year ended 31 December 2011. In addition to the records maintained by the custodians, ILIM maintains its own records of securities. Both sets of records are reconciled regularly. The custodian has produced a report on its internal controls in accordance with SAS 70. The securities are held beneficially in the name of Irish Life Assurance plc on behalf of the Trustee of the Fund.

### **INTERNAL DISPUTE RESOLUTION**

Under Irish pensions legislation all pension schemes are required to have an Internal Dispute Resolution (IDR) Procedure. As a result all disputes arising in connection with the administration of a pension scheme may not be brought to the Pensions Ombudsman unless they have, in the first instance, been processed through that scheme's IDR Procedure.

## The Representative Church Body – Report 2012

Accordingly, the trustees of every occupational pension scheme are required to establish internal procedures for resolution of disputes and to set out certain steps which must be included in those procedures. The Trustee has put in place such an IDR Procedure, which must be followed before an issue can be brought to the Pensions Ombudsman.

A copy of the IDR Procedure is included as Annex 7 to this report (page 165).

### MEMBER INFORMATION

An Explanatory Booklet, designed to give a broad outline of the Fund and the benefits provided, is available to any member on request from the Pensions Administration Manager.

The latest revision in May 2011 incorporates recent changes in pensions legislation and regulations together with ‘best practice’ and has been forwarded to every member.

Benefit Statements as at 30 June are issued annually to all Fund members.

### FURTHER INFORMATION

Queries about the Fund generally, or about individual members’ entitlements should be directed to The Pensions Administration Manager, Church of Ireland House, Church Avenue, Rathmines, Dublin 6 (email [pensions@rcbdub.org](mailto:pensions@rcbdub.org), tel +353-(0)1-4125630).

Copies of Chapter XIV of the *Constitution of the Church of Ireland*, which constitutes the Trust Deed and Rules, can be obtained online at [www.ireland.anglican.org/clergypensions](http://www.ireland.anglican.org/clergypensions) or from the Pensions Administration Manager.

On behalf of the Trustee

*BN Maxwell*

Chairman

The Church of Ireland Clergy Pensions Trustee Limited

12 March 2012

### FINANCIAL STATEMENTS

The Financial Statements of the Clergy Pensions Fund are set out in the following pages.

The Representative Church Body – Report 2012

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

**FINANCIAL STATEMENTS – PAGE 1**

**YEAR ENDED 31 DECEMBER 2011**

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**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

**TRUSTEE AND ADVISORS AND OTHER INFORMATION**

**PAGE 3**

**Trustee**

The Church of Ireland Clergy Pensions Trustee Limited  
Church of Ireland House  
Church Avenue  
Rathmines  
Dublin 6

**Actuaries**

Mercer Actuarial Services  
Charlotte House  
Charlemont Street  
Dublin 2

**Auditors**

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Spencer Dock  
Dublin 1

**Investment Managers**

Irish Life Investment Managers  
Beresford Court  
Dublin 1

**Sponsor**

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

**Solicitors**

Mr Mark McWha  
Senior Solicitor  
The Representative Church Body

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

**STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES**

**PAGE 4**

The financial statements are the responsibility of the Trustee. Irish pensions legislation requires the Trustee to make available for each scheme year the annual report of the scheme, including audited financial statements and the report of the auditor. The financial statements are required to show a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the financial transactions for the scheme year and the asset and liabilities (other than liabilities to pay benefits in the future) at the end of the scheme year and include a statement whether the financial statements have been prepared in accordance with Statement of Recommended Practice - Financial Reports of Pension Schemes (revised May 2007) (SORP), subject to any material departures disclosed and explained in the financial statements.

Accordingly, the Trustee must ensure that in the preparation of the scheme financial statements:

- suitable accounting policies are selected and then applied consistently;
- reasonable and prudent judgements and estimates are made; and
- the SORP is followed, or particulars of any material departures are disclosed and explained.

The Trustee confirms that it has complied with the above requirements in preparing the financial statements.

The Trustee is required by law to have appropriate procedures in place throughout the year under review, to ensure that:

- contributions payable are received by the Trustee in accordance with the timetable set out in section 58A of the Act where applicable to the contributions and otherwise within 30 days of the end of the scheme year; and
- contributions payable are paid in accordance with the rules of the Fund.

During the year such procedures were always applied on a timely basis and contributions have been paid in accordance with the rules.

The Trustee is responsible for ensuring that proper membership and financial records are kept on a timely basis sufficient to enable an Annual Report to be prepared for the scheme containing the information specified in regulation 7 of the Occupational Pension Schemes (Disclosure of Information) Regulations 2006. It is also responsible for safeguarding the assets of the pension scheme and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, including the maintenance of an appropriate system of internal control.

## The Representative Church Body – Report 2012



### **Independent Auditors' Report to the members of Church of Ireland Clergy Pensions Trustee Limited**

We have audited the financial statements on pages 6 to 14. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies on page 6 and 7.

#### **Respective responsibilities of trustee and auditors**

As described in the statement of the trustee's responsibilities on page 4, the trustee is responsible for making available the audited financial statements prepared in accordance with applicable Irish pension law and accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinions, has been prepared for and only for the scheme's trustee as a body in accordance with Section 56 of the Pensions Act 1990 and for no other purpose. We do not, in giving this report including the opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements show a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the financial transactions of the scheme during the scheme year and of the amount and disposition of its assets and liabilities, other than liabilities to pay benefits in the future, and whether the financial statements contain the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006. We also report to you whether in our opinion the contributions payable to the scheme have been received by the trustee within 30 days of the scheme year end and, in our opinion, have been paid in accordance with the scheme rules and the recommendation of the actuary.

We read the other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the trustee's report, the investment manager's report, the actuarial funding certificate, and the actuary's further statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by or on behalf of the trustee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the scheme's circumstances, consistently applied and adequately disclosed. Our work also included examination, on a test basis, of evidence relevant to the amounts of contributions payable to the scheme and the timing of those payments.

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*PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland, I.D.E. Box No. 137  
T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, [www.pwc.com/ie](http://www.pwc.com/ie)*

Chartered Accountants

The Representative Church Body – Report 2012



**Independent Auditors' Report to the members of Church of Ireland Clergy Pensions Trustee Limited - continued**

**Basis of opinion - continued**

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error, and that contributions have been paid in accordance with the scheme rules and the recommendation of the actuary and received within 30 days of the scheme year end. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion, the financial statements show a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the financial transactions of the scheme during the year ended 31 December 2011, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay benefits in the future, and contain the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006.

In our opinion the contributions payable to the scheme during the year ended 31 December 2011 have been received by the trustee within 30 days of the end of the scheme year and, in our opinion, such contributions have been paid in accordance with the scheme rules and the recommendation of the actuary.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

**PricewaterhouseCoopers**  
**Chartered Accountants and Registered Auditors**  
**Dublin**

13 March 2012

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**ACCOUNTING POLICIES**

**PAGE 6**

The significant accounting policies adopted by the Trustee are as follows:

(i) Basis of preparation

The financial statements have been prepared in accordance with The Occupational Pension Schemes (Disclosure of Information) Regulations, (2006), and the guidelines set out in the Statement of Recommended Practice, Financial Reports of Pensions Schemes (Revised May 2007).

(ii) Investments

Invested assets are held in unitised funds, most of the value of which is managed by Irish Life Investment Managers. This fund tracks a range of published equity and bond indices. The value of the units at the year end reflects the relative performance of these indices and the value of the relevant underlying stocks. The balance of funds is shown in Note 7 of these accounts

(iii) Investment Income

Most of the invested assets are held in unitised funds and income is attributed to the funds as it arises and is not separately reported. Income from any pooled investment vehicle which distributes income is accounted for in the period.

(iv) Financial Risk

The Trustee is responsible for managing financial risk arising in connection with the invested assets of the fund. This responsibility is discharged through the diversification of the investment portfolio across sectors and geographies and focus on established stocks quoted on published exchanges.

(v) Foreign Currencies

Balances and transactions denominated in foreign currencies have been translated into Euro at the rate of exchange ruling at the year end. (2011 €1 = £0.8353; 2010 €1 = £0.8607).

(vi) Benefits

The pension benefits are secured by contributions to a separately administered defined benefits scheme in accordance with the provisions of Chapter XIV of the Constitution of the Church of Ireland as amended from time to time by the General Synod. Benefits are accounted for in the year in which they fall due. Liabilities to pay pensions and other benefits in the future are not accrued for.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**ACCOUNTING POLICIES (CONTINUED)**

**PAGE 7**

(vii) Contributions

Normal contributions, both from the members and from the employer, are accounted for on an accruals basis in the month employee contributions are deducted from the payroll. Employers' augmentation contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of such an agreement, when received.

Employers' deficit funding contributions are accounted for in accordance with the agreement under which they are being paid or, in the absence of an agreement, on a receipt basis.

(viii) Transfers to and from other Schemes

Transfer values represent the capital sums either receivable in respect of members from other pension schemes of previous employers or payable to the pension schemes of new employers for members who have left the Scheme. They are accounted for on a cash basis or where the Trustee has agreed to accept the liability in advance of receipt of funds on an accruals basis from the date of the agreement.

The Representative Church Body – Report 2012

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**FUND ACCOUNT YEAR ENDED 31 DECEMBER 2011**  
**FINANCIAL STATEMENTS PAGE 8**

**CONSOLIDATED FUND**

	Notes	2011 €'000	2010 €'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	5,390	5,221
Special contribution	4	5,000	5,000
		<u>10,390</u>	<u>10,221</u>
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	5	7,433	6,887
Administrative expenses		158	154
Pension Levy		320	-
		<u>7,911</u>	<u>7,041</u>
<b>NET ADDITIONS</b>		<u>2,479</u>	<u>3,180</u>
<b>RETURNS ON INVESTMENTS</b>			
Investment income	6	51	27
Realised and unrealised investment (losses)/gains		(2,040)	10,719
Currency translation adjustment		47	(32)
Investment management expenses		(71)	(66)
<b>NET RETURNS ON INVESTMENTS</b>		<u>(2,013)</u>	<u>10,648</u>
<b>NET INCREASE IN FUND FOR YEAR</b>		<u>466</u>	<u>13,828</u>
<b>BALANCE 1 JANUARY</b>		<u>107,817</u>	<u>93,989</u>
<b>BALANCE 31 DECEMBER</b>		<u><u>108,283</u></u>	<u><u>107,817</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:* BN Maxwell  
DG Perrin  
*Date:* 12 March 2012

The Representative Church Body – Report 2012

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**STATEMENT OF NET ASSETS** **YEAR ENDED 31 DECEMBER 2011**  
**FINANCIAL STATEMENTS** **PAGE 9**

<b>CONSOLIDATED FUND</b>			
	Notes	2011	2010
		€'000	€'000
INVESTMENT ASSETS	7	108,228	107,749
CURRENT ASSETS			
Amounts due from the Representative Church Body		68	152
CURRENT LIABILITIES			
Creditors		(13)	(84)
NET CURRENT ASSETS		55	68
NET ASSETS		108,283	107,817

The accounts summarise the transactions of the Fund and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and other benefits which fall due after the end of the Fund year. The actuarial position of the Fund, which does take account of such obligations, is dealt with in the Trustee's report, the actuarial funding certificate and the actuary's annual certificate within this report, and these accounts should be read in conjunction with them.

*Signed on behalf of the Trustee:* *BN Maxwell*  
*DG Perrin*  
*Date:* *12 March 2012*

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FINANCIAL STATEMENTS**

**PAGE 10**

**1. FUND STATUS**

The Clergy Pensions Fund, which is a defined benefit scheme, is established under Chapter XIV of the *Constitution of the Church of Ireland* as amended from time to time by the General Synod. The Fund has been approved by the Revenue Commissioners as a retirement benefits scheme under Part 30, Chapter I of the Taxes Consolidation Act, 1997, and is treated as an “exempt approved scheme” for the purposes of that Act. In addition, the Fund has been approved by the Board of the Inland Revenue of the United Kingdom as a retirement benefits scheme for the purposes of Chapter I, Part XIV, Income and Corporation Taxes Act 1988 and is treated as an “exempt approved scheme” for the purposes of Section 592 of that Act in relation to its provision of pension benefits to those members of the clergy who are living in Northern Ireland.

**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 does take account of such obligations, is dealt with in the Trustee’s report, the actuarial funding certificate and the actuary’s annual certificate within this report, and these accounts should be read in conjunction with them.

**3. SUMMARY OF CONTRIBUTIONS RECEIVABLE**

	2011 €’000	2010 €’000
Members – normal	1,239	1,069
– additional personal	181	226
Dioceses	3,080	2,764
Representative Church Body	890	1,155
Transfers from other funds	-	7
Total	5,390	5,221

The value of Northern Ireland contributions in Sterling is £2.387m (2010: £2.187m) and translated to Euro at the year end rate of 0.8353 (2010: 0.8607).

The value of Republic of Ireland contributions is €2.532m (2010: €2.680m).

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 11**

**4. SPECIAL CONTRIBUTION**

As part of a funding proposal which was presented to General Synod in 2010 the Representative Church Body during 2011 made a second capital transfer of €5m to the Clergy Pensions Fund.

**5. BENEFITS PAYABLE**

	2011 €'000	2010 €'000
Pensions to retired bishops and clergy	4,092	3,958
Pensions to surviving spouses and orphans	2,622	2,579
Commutation of pensions	541	205
Death benefits	178	145
Total	7,433	6,887

The cost of Northern Ireland benefits in Sterling is £3.375m (2010: £3.193m) and translated to Euro at the year end rate of 0.8353 (2010: 0.8607).

The cost of Republic of Ireland benefits in Euro is €3.393m (2010: €3.177m). This cost excludes administration charge and the pension levy.

**6. ANALYSIS OF INVESTMENT INCOME**

	2011 €'000	2010 €'000
Miscellaneous trust income	36	18
Interest	15	9
	51	27

Most of the invested assets are held in unitised funds and income is attributed to the funds as it arises and is not separately reported.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 12**

**7. (a) INVESTMENT ASSETS**

	<b>Market Value 2011 €'000</b>	<b>Market Value 2010 €'000</b>
<b>Equities</b>		
UK	34,266	35,852
Europe ex UK	34,676	40,098
Global	12,283	12,160
<b>Bonds</b>		
European	9,080	8,801
UK	9,800	7,754
	<u>100,105</u>	<u>104,665</u>
<b>Other</b>		
Irish Property Unit Trust	177	202
New Ireland Pension Property Series 1	2,715	2,706
New Ireland Venture Capital	178	176
Cash on Deposit	5,053	-
	<u>8,123</u>	<u>3,084</u>
<b>TOTAL</b>	<u><u>108,228</u></u>	<u><u>107,749</u></u>

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

As at 31 December 2011, the indices and the percentage of the fund, excluding property unit trusts and cash, invested in these was as follows:

<b>Indices</b>	<b>Weighting 2011</b>	<b>Weighting 2010</b>
FTSE All World Series Developed		
Europe Ex UK	34.6%	38.3%
FTSE All World Series UK	34.2%	34.2%
S&P Global 100	12.3%	11.7%
Merrill Lynch EMU Govt > 10 Year	9.1%	8.4%
Merrill Lynch UK Govt > 10 Year	9.8%	7.4%

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**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 13**

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**8. CONTINGENT LIABILITIES**

As stated in the accounting policies on page 6 of the Financial Statements, liabilities to pay pensions and other benefits in the future have not been taken into account. On that basis, in the opinion of the Trustee the scheme had no contingent liabilities at 31 December 2011.

**9. 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.

**10. RELATED PARTY TRANSACTIONS**

- (a) The Trustee: The Trustee of the Fund is set out on page 3 of the Financial Statements.
- (b) Remuneration of the Trustee: The Trustee does not receive and is not due any remuneration from the Fund in connection with its responsibilities as Trustee.
- (c) Sponsor: The Representative Church Body acts as the Sponsor for the Clergy Pensions Fund and sponsor contributions to the scheme are made in accordance with funding proposals agreed with the Actuary from time to time.
- (d) The Administrator: The Representative Church Body is the Registered Administrator of the scheme and is remunerated on a fee basis.
- (e) The Investment Manager: Irish Life Investment Managers was appointed by the Trustee to manage the Fund's assets. The Manager is remunerated on a fee basis calculated as a percentage of the assets under management. These fees are reflected in unit prices and borne by the Fund.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 14**

**11. SUB DIVISIONS**

<b>REPUBLIC OF IRELAND</b>	<b>2011</b>	<b>2010</b>
	<b>€'000</b>	<b>€'000</b>
Contributions	2,532	2,680
Special contribution	2,485	2,484
Net benefits and other payments	(3,871)	(3,330)
Net transfer between sub divisions	489	(430)
	<hr/>	<hr/>
Net additions	1,635	1,404
Net returns on investments	(819)	5,321
Balance 1 January	53,564	46,839
	<hr/>	<hr/>
	54,380	53,564
	<hr/>	<hr/>
<b>NORTHERN IRELAND</b>		
Contributions	2,858	2,541
Special contribution	2,515	2,516
Net benefits and other payments	(4,040)	(3,711)
Net transfer between sub divisions	(489)	430
	<hr/>	<hr/>
Net additions	844	1,776
Net returns on investments	(1,194)	5,327
Balance 1 January	54,253	47,150
	<hr/>	<hr/>
	53,903	54,253
	<hr/>	<hr/>
<b>CONSOLIDATED FUND</b>		
Contributions	5,390	5,221
Special contribution	5,000	5,000
Net benefits and other payments	(7,911)	(7,041)
	<hr/>	<hr/>
Net additions	2,479	3,180
Net returns on investments	(2,013)	10,648
Balance 1 January	107,817	93,989
	<hr/>	<hr/>
	108,283	107,817
	<hr/>	<hr/>

**12. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Trustee on 12 March 2012.

The Representative Church Body – Report 2012

ANNEX 1

**REPORT OF THE CHURCH OF IRELAND PENSIONS BOARD  
TO THE CHURCH OF IRELAND CLERGY PENSIONS TRUSTEE LIMITED**

***Members/Meetings of the Board***

There were six meetings of the Board in 2011.

***Elected by the House of Bishops***

Most Revd Dr John Neill (retired 31 January 2011)	(1)
Right Revd Paul Colton	(5)
Right Revd John McDowell (elected by House of Bishops November 2011)	(1)

***Elected by the General Synod***

Ven Donald McLean	(5)
Canon Lady Sheil	(6)
Revd Ted Woods	(6)
Mr William Oliver	(4)
Mrs Cynthia Cherry (elected January 2011)	(3)

***Elected by The Representative Church Body***

Mrs Judith Peters	(3)
Mr Robert Willis (retired November 2011)	(4)
Mr Terence Forsyth	(4)
Mr Geoffrey Perrin	(5)
Revd John McDowell (elected by House of Bishops November 2011)	(4)

**Chairperson** – Canon Lady Sheil

**Vice-Chairperson** – Mr Terence Forsyth

**Honorary Secretary** – Ven Donald McLean

**Honorary Consultant** – Canon Barry Deane

**Assistant Secretary** – Mr Philip Talbot (retired 31 August 2011)

**Pensions Administration Manager** – Mr Peter Connor

***Grants Committee***

Canon Lady Sheil	Ven Donald McLean	Mrs Judith Peters
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<b>Office:</b> Church of Ireland House Church Avenue Rathmines Dublin 6	Tel no (+3531) 4978422 Fax no (+3531) 4978821 Email <a href="mailto:pensions@rcbdub.org">pensions@rcbdub.org</a>
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## The Representative Church Body – Report 2012

### 1. INTRODUCTION

In accordance with section 12(3) of Chapter XIV of the *Constitution of the Church of Ireland* the Trustee has delegated to the Church of Ireland Pensions Board (“the Board”) certain of the duties as set out in section 12(1) of the said Chapter including those relating to membership, contributions and benefits. This report summarises statistical data in relation to those matters.

The Report of the Church of Ireland Pensions Board on other funds administered by it, as delegated by the Representative Church Body (RCB), is found in Appendix G to the Report of the RCB (*Church of Ireland General Synod Reports 2012*, page 169).

### 2. MEMBERSHIP OF THE BOARD

The Board continues to be elected triennially in accordance with Section 15 of Chapter XIV.

The Standing Committee, at its meeting on 25 January 2011, elected Mrs Cynthia Cherry as a member of the Board.

The Right Rev John McDowell was elected as a representative of the House of Bishops on the Board in September 2011 having previously been elected as a member of the Board by the Representative Church Body.

Mr Robert Willis retired from the Board in November. The Board expresses sincere thanks to Mr Willis for his substantial contribution to the work of the Board since his election in 1990.

### 3. MEMBERSHIP OF THE FUND

The table on the following page shows the movement during the year across the various membership categories. The accompanying graph shows the age profile of the active members.

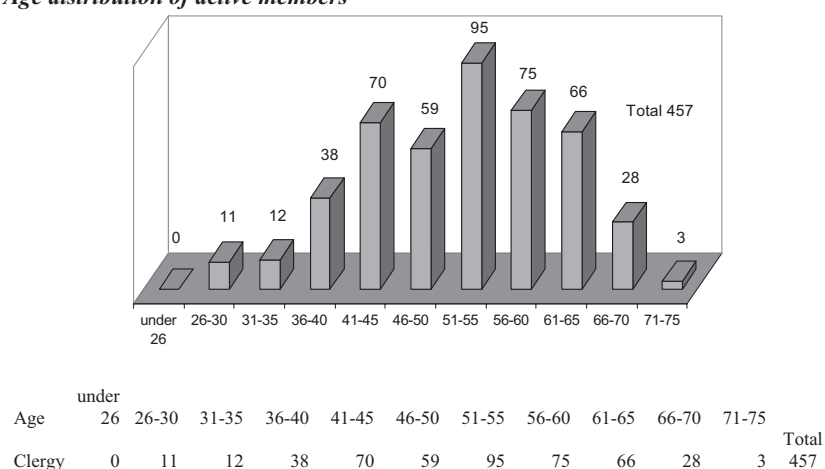
It should be noted that the number of ‘active’ clergy who retired on pension in 2011 (25) is more than double the total of those who retired the previous year (10 in 2010; 13 in 2009).

### The Representative Church Body – Report 2012

	Active members	Deferred members	Pensioners	Spouses on pension
At 1 January 2011	477	98	250	212
New entrants	17			
Leavers with deferred benefits	(11)	11		
Leavers taking benefits elsewhere	(0)	(0)		
Deaths before retirement	(1)	(0)		
Retirements on pension	(25)	(4)	29	
Deaths on pensions			(12)	(11)
New spouses pensions				7
At 31 December 2011	457	105	267	208 <sup>1</sup>

In addition there were 8 child dependency allowances in payment at 31 December 2011 (7 at 31 December 2010).

#### *Age distribution of active members*



There are seven clergy in the full-time stipendiary ministry who are not members of the Fund having sought and been granted exemption on entering service and there is one who elected to leave the Fund and make independent pension arrangements.

<sup>1</sup> The total of 208 includes 14 widows of members who either retired or died before 1976 and 11 widows of voluntary members.

## The Representative Church Body – Report 2012

### 4. PENSIONS IN PAYMENT

The annual rates of pensions etc in payment at 1 January 2012 are:

	€		£
Clergy	1,636,076	and	2,105,951
Surviving spouses and orphans	1,320,256	and	1,025,916
	<u>2,956,332</u>	and	<u>3,131,867</u>

The total annual rate of pensions in payment translated to euro at the year end exchange rate of 0.8353 is €6,705,724.

### 5. CONTRIBUTIONS

**Contribution Rate** – the Members and Dioceses/Parishes annual total contribution rate (which is made up of a contribution to meet the deficit in respect of past service and to meet future service funding) was increased from 26% to 30% of the Pensionable Stipends with effect from 1 January 2011. This figure is made up of:

Rate	Source	€	£
9%	Members	3,260	2,295
21%	Dioceses/Parishes	7,606	5,355
30%	Total	<u>10,866</u>	<u>7,650</u>

**Contribution from central funds for 2011** – a second transfer by the Representative Church Body of €5m took place in 2011 in accordance with the draft Funding Proposal reported to General Synod in 2010. In addition a contribution from central funds amounting to €890,000 was made during the year in accordance with Section 38 of Chapter XIV of the *Constitution*.

### 6. LUMP SUM BENEFITS

Under the provisions of the Fund a cash lump sum is payable in a number of eventualities. The following is a summary:

On death in service or within 5 years following retirement;

On retirement before reaching Normal Retirement Age<sup>1</sup> (NRA), individual members may elect to commute part of their pension;

On reaching NRA individual members, who are serving in the Republic of Ireland at that time, may elect to commute part of their pension whether or not they actually retire;

---

<sup>1</sup> Those members who were in the Fund on or before 31 December 2008 have a normal retirement age of 65. Normal retirement age for members, including deferred members who re-entered the Fund, on or after 1 January 2009, is 67.

## The Representative Church Body – Report 2012

On retirement after reaching NRA, individual members may elect to commute part of their pension if, on reaching NRA, they had decided to defer a decision until their actual retirement;

On deferred pension entitlement becoming payable.

During 2011 lump sums totalling €418,896 and £280,830 became payable under the above headings in respect of 20 members as follows:

Died in service (1); died within 5 years following retirement (2); paid before NRA (0); paid at NRA (0); paid on retirement (16); deferred pension (1).

### **7. EXTERNAL CONTACTS FOR INFORMATION AND SUPPORT**

The Board has compiled a guide towards external sources of information and help to assist chaplains who support retired clergy and surviving spouses. A copy of the guide is available on request from the Pensions Administration Manager (Email [pensions@rcbdub.org](mailto:pensions@rcbdub.org)).

### **8. ADDITIONAL PERSONAL CONTRIBUTIONS (APCs)**

Members who will not have completed 40 years of service on reaching 65 or 67 years of age, as the case may, will not qualify for a full pension. However, subject to limitations contained in civil legislation, such members may purchase additional service by making APCs either by monthly deduction, or by the payment of a lump sum, or by a combination of the two. These contributions qualify for income tax relief.

At present 103 members have made, or are making, contributions to the APC Scheme.

Copies of the Regulations and explanatory memorandum in relation to APCs may be obtained on request from the Pensions Administration Manager.

### **9. ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)**

Members of the Church of Ireland Clergy Pensions Fund are permitted to make Additional Voluntary Contributions (AVC) which are invested with the Standard Life Assurance Company to provide additional benefits within the overall limits allowed by the Revenue authorities.

Copies of the Regulations and explanatory memorandum in relation to AVCs may be obtained on request from the Pensions Administration Manager.

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(i) **Membership of the AVC Fund as at 31 December 2011**

	Membership 31/12/10	New Contributors	Death in Service	Fund Transfers	Retired	Membership 31/12/11
RI	29	0	0	0	3	26
NI	6	0	0	0	0	6
Total	35	0	0	0	3	32
Previous Year	36	0	0	0	1	35

Three members ceased making contributions. The average annual contribution at the end of 2011 was (RI) €3,963 and (NI) £630. Standard Life, provider of the AVC facility, has closed the “Cash Pension Fund” for new contributors. Contributions may be invested with Standard Life in the “Managed Pension Fund”, the “With Profits Pension Fund”, the “Euro Global Liquidity Fund” or the “Pension Fixed Interest Fund”, as appropriate, of the Tower Pension Series for those contributors who reside in the Republic of Ireland or the Castle Pension Series for those contributors who reside in Northern Ireland.

(ii) **AVC Fund Statement of Contributions**

	2011 €'000	2010 €'000
Contributions received	100	105
Less paid on retirement or death	(47)	(5)
Less commuted to pension	-	-
	<u>53</u>	<u>100</u>
Balance 1 January	670	567
Currency Translation Adjustment	3	3
Balance 31 December	<u>726</u>	<u>670</u>

**NOTES**

1. The Representative Church Body is Trustee of the Scheme which is administered by the Church of Ireland Pensions Board under the authority of a resolution adopted by the General Synod on 21 May 1985.
2. Under the Scheme members are permitted to make voluntary contributions which are invested with the Standard Life Assurance Company to provide additional benefits within the overall limits allowed by the Revenue authorities.

## The Representative Church Body – Report 2012

The balance at the year end represents the net accumulation of members' contributions which have been transferred to the Standard Life Assurance Company by the Trustee. The value of the investments underlying these contributions is not reflected in the statement.

3. Sterling balances and transactions have been translated to Euro at the rate of exchange ruling at 31 December 2011 €1 = £0.8353 (2010 €1 = £0.8607)

### ACCOUNTANTS' REPORT

The Representative Church Body is responsible for preparing the Fund Statement for the year ended 31 December 2011. We have examined the above and have compared it with the books and records of the Fund. We have not performed an Audit and accordingly do not express an audit opinion on the above statement. In our opinion the above statement is in accordance with the books and records of the Fund.

PricewaterhouseCoopers  
Chartered Accountants  
Dublin

March 2012

### 10. ASSISTANT SECRETARY TO THE BOARD

Mr Philip Talbot retired from the staff of the Representative Church Body after forty-four years service, eight of which included the role of Assistant Secretary to the Board. The Board wishes to record its thanks and appreciation to Mr Talbot for his diligent work and guidance as Assistant to the Board since his appointment in 2003.

Mr Peter Connor has assumed the role of Pensions Administration Manager under which one of his duties will be to act as Assistant Secretary to the Board.

**ANNEX 2**

**STATEMENT OF RISK IN RELATION TO THE  
CHURCH OF IRELAND CLERGY PENSIONS FUND (THE “FUND”)**

Under law, the Trustee is required to describe the condition of the Fund and the risks associated with the Fund, and disclose these to members.

The Fund operates on a “defined benefit” basis. The risks in such an arrangement are generally classified as financial or operational. In any defined benefit arrangement, the main risk is that there will be a shortfall in the assets (for whatever reason) and the employer/sponsor will not be willing or able to pay the necessary contributions to make up the shortfall. If that occurs, members may not receive their anticipated benefit entitlements. Some of the reasons why a shortfall could occur are as follows (this list may not be exhaustive):

- The assets of the pension fund may grow more slowly than expected, or even fall in value, depending on the performance of underlying markets and the securities chosen.
- Similarly, the liabilities may grow faster than expected due to higher salary or pension increases, or due to unfavourable movements in interest rates, or due to mortality and other elements of the fund’s experience varying from the assumptions made.
- The administration of the fund may fail to meet acceptable standards. The fund could fall out of statutory compliance, the fund could fall victim to fraud or negligence, or the benefits communicated to members could differ from the liabilities valued by the Actuary.

In these circumstances, there may be insufficient assets available to pay benefits, leading to a requirement to change the benefit structure or to seek higher contributions. The employer/sponsor may decide not to pay these increased contributions.

Another risk is that the employer/sponsor may for some reason decide to cease its liability to contribute to the pension fund. In this event, the fund may be wound up, future accrual of benefits may cease and accrued entitlements would be discharged from the available assets (which may or may not be sufficient to discharge member benefit expectations, as outlined above). In accordance with Section 10 of Chapter XIV of the *Constitution of the Church of Ireland* it would require a decision to be taken at the General Synod for the Fund to be wound up. If assets are insufficient to meet benefits due, the law specifies that pensioners have first call on the assets of the pension fund before benefits can be paid to those who have yet to reach normal retirement age.

Various actions have been taken by the Trustee to mitigate the risks. Professional investment managers have been appointed to manage the Clergy Pension Fund assets, which are invested in a range of diversified assets. There is regular monitoring of how these investments are performing. An actuarial valuation of the Fund is carried out at

#### The Representative Church Body – Report 2012

least every three years to assess the financial condition of the Fund and determine the rate of contributions required to meet the future liabilities of the Fund. In addition, an annual review of the solvency position of the Fund is carried out on the assumption that it is wound up at that time. If the Fund is found to be insolvent on this basis, the Trustee and the employer/sponsor are required to complete a funding proposal for submission to the Irish Pensions Board, with the objective of returning the Fund to solvency.

The Trustee is satisfied that it is taking all reasonable steps, including the appointment of experienced professional advisers and administrators, to protect the members of the Fund from the effects of these risks. However, it is not possible to guard against every eventuality, and it is necessary to take some investment risk and other risks in order to manage the affordability of the Plan benefits and the capacity of the employer/sponsor to meet this commitment.

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ANNEX 3

ACTUARIAL FUNDING CERTIFICATE



An Bord Pinsean -  
The Pensions Board

SCHEDULE BC

Article 4

ACTUARIAL FUNDING CERTIFICATE

THIS CERTIFICATE HAS BEEN PREPARED UNDER THE PROVISIONS OF SECTION 42 OF THE PENSIONS ACT 1990 ("the ACT") FOR SUBMISSION TO THE PENSIONS BOARD BY THE TRUSTEES OF THE SCHEME

SCHEME NAME: The Church of Ireland Clergy Pension Fund

SCHEME COMMENCEMENT DATE: 1<sup>st</sup> January 1976

PENSIONS BOARD REFERENCE NO.: PB 1667

EFFECTIVE DATE OF

THIS CERTIFICATE: 30<sup>th</sup> September 2009

PREVIOUS CERTIFICATE: 30<sup>th</sup> September 2006

On the basis of information supplied to me and having regard to such financial and other assumptions as I consider to be appropriate:-

- (1) I am of the opinion that at the effective date of this certificate the resources of the scheme, which are calculated for the purposes of section 44 of the Act to be €90,876,000 ~~\*would\*~~*would not* have been sufficient if the scheme had been wound up at that date to provide for the liabilities of the scheme determined in accordance with section 44 of the Act which, including the estimated expenses of administering the winding up of the scheme, amount to €134,152,000
- (2) I am of the opinion that at the effective date of this certificate the resources of the scheme, calculated for the purposes of section 44 of the Act, would have been sufficient, after allowance for the estimated expenses of administering the winding up of the scheme, to provide for the discharge of the liabilities of the scheme determined in accordance with section 44 of the Act as follows:
  - (a) **100%** of the benefits as set out in section 44(a)(i) of the Act
  - (b) **100%** of the benefits as set out in section 44(a)(ii) of the Act
  - (c) **2.9%** of the benefits as set out in sections 44(a)(iii) and 44(a)(iv) of the Act
  - (d) **0%** of the benefits, other than those referred to in subparagraphs (a) to (c) of this paragraph, to which paragraph 5 of the Third Schedule of the Act relates.
- (3) *\*I hereby state the specified percentage for the above scheme for the purpose of section 44 of the Act to be 0%.*

~~*\*I hereby state that the specified percentage for the above scheme for the purposes of section 44 of the Act is not applicable as there are no benefits which are described in paragraph 5 of the Third Schedule.*~~  
I therefore certify that as at the effective date of this certificate the scheme ~~\*satisfies\*~~*does not satisfy* the funding standard provided for in section 44 of the Act. I further certify that I am qualified for appointment as actuary to the scheme for the purposes of section 51 of the Act.

Signature: James R. Kehoe

Date: December 17, 2009

Name: James R Kehoe

Qualification: F.S.A.I

Name of Actuary's Employer/Firm: Mercer

Scheme Actuary Certificate No.: P038

*\* Please delete whichever is not applicable.*

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### EXPLANATORY NOTE – PROVIDED FOR INFORMATION ONLY AND NOT FORMING PART OF THE CERTIFICATE

*This note is intended to provide clarification of the benefits that the actuary has valued in establishing the liabilities for the purposes of the certificate and assumes that the effective date of the certificate is after 22 September 2005. Section 44 of the Pensions Act, 1990, as amended, and the Third Schedule set out in detail the benefits valued.*

If the scheme satisfies the funding standard, the actuary is of the opinion that the scheme would have had sufficient assets to meet specified benefits and expenses if it had been wound up. The opinion is based on the position at the effective date of the certificate.

The benefits can be summarised as follows:

- (1) *In respect of current pensioners -*
  - all future benefit entitlements under rules of the scheme
- (2) *In respect of members not currently receiving pensions -*
  - (a) all benefits secured by additional voluntary contributions or granted under the scheme by way of transfer of rights from another scheme, and
  - (b) the scheme benefits that are required by the Act to be preserved – this relates to all benefits accrued up to the effective date of the certificate and includes revaluation of benefits accrued from 1991, and
  - (c) the certified percentage of the additional benefits described in paragraph 5 of the Third Schedule. This normally relates to revaluation of benefits accrued before 1 January 1991.

#### Note to the Trustees

Under the Pensions Act, 1990, as amended, the trustees of a defined benefit scheme must arrange to have an actuarial valuation of the scheme carried out periodically and must obtain an Actuarial Funding Certificate.

Certificates must have an effective date of not more than 3 years after the scheme's inception or the date of the previous certificate or, where the previous certificate has an effective date before 23 September 2005, or where the scheme commenced prior to 23 September 2005 and it is the first certificate for the scheme, it must be prepared not more than 3½ years after the scheme's inception or the date of the previous certificate.

Certificates, completed by an actuary who holds a Scheme Actuary Certificate issued by the Society of Actuaries in Ireland, must be submitted to the Board within 9 months of the effective date, or, where the certificate is required as a result of a negative actuarial statement in the trustee annual report for the scheme, within 12 months of the last day of the period to which the trustee annual report relates. Certificates should be sent to:

The Pensions Board  
Verschoyle House  
28-30 Lower Mount Street  
Dublin 2  
Tel: (01) 6131900  
[www.pensionsboard.ie](http://www.pensionsboard.ie)

## The Representative Church Body – Report 2012

### ANNEX 4

#### ACTUARIAL CERTIFICATE



##### *Church of Ireland Clergy Pensions Fund*

Pensions Board reference number: PB1667

Year ended 31/12/2011

##### **Actuarial Certificate**

The most recent actuarial valuation of the Church of Ireland Clergy Pensions Fund was at 30 September 2009. The results of that valuation showed that the Fund did not satisfy the statutory Minimum Funding Standard under Section 44 of the Pensions Act 1990 at the valuation date. The assets of the Fund were sufficient to cover 67% of the liabilities under the Minimum Funding Standard at the valuation date. These liabilities include benefits for the current active members based upon completed service and the Minimum Approved Stipend at the valuation date, pensions in the course of payment to members and their spouses, and deferred pensions in respect of members who have left service. The next valuation of the Fund will be carried out as at 30 September 2012.

Investment markets since the valuation date have been volatile, and this has resulted in lower interest rates which increase the Fund's liabilities. Accordingly, I am not satisfied that as at 31 December 2011 the Church of Ireland Clergy Pensions Fund would have met the Minimum Funding Standard under Section 44 of the Pensions Act.

As a result, the Trustee will have to submit a Funding Proposal to the Irish Pensions Board to eliminate the deficit under the statutory Minimum Funding Standard over a time period to be agreed with the Board. On 28 October 2011, The Pensions Board announced that it expected to publish revised guidelines for defined benefit schemes in deficit and announce new deadlines by which schemes in deficit must submit a recovery plan to the Board. Once these new guidelines and deadlines have been published, the Trustee will consider the options available to eliminate the Minimum Funding Standard deficit in the Fund.

A handwritten signature in cursive script, reading 'Paul McMahon'.

Paul McMahon  
Fellow of the Society of Actuaries in Ireland

29 February 2012

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Directors: John Deegan, Paul O'Farrelly, Michael Walsh, Vincent Shandien, Tom Brennan.

CONSULTING, OUTSOURCING, INVESTMENTS.



**ANNEX 5**

**CHURCH OF IRELAND CLERGY PENSIONS FUND**

**STATEMENT OF INVESTMENT POLICY PRINCIPLES (2010)**

**1. Introduction**

The purpose of this Statement of Investment Policy Principles (the “Statement”) is to document the policies and guidelines that govern the management of the assets of the Church of Ireland Clergy Pensions Fund (the Fund). It has been reviewed and adopted by the Trustee of the Fund and the Investment Committee of the RCB.

This Statement outlines the responsibilities of the various parties involved with the Fund, their objectives, policies and risk management processes in order that:

- a. There is a clear understanding on the part of the Trustee, the Investment Committee and investment managers (the Managers), as to the objectives and policies.
- b. There are clear principles governing the guidelines and restrictions to be presented to the Managers regarding their investment of the Fund’s assets.
- c. The Investment Committee and the Trustee have a meaningful basis for the evaluation of the investment performance of the Managers, investment performance of the Fund as a whole and the success of overall investment strategy through achievement of defined investment objectives.
- d. The Trustee fulfils the requirements of the Occupational Pension Schemes (Investment) Regulations 2005, which stipulate that such a Statement is put in place.

This Statement will be reviewed by the Trustee and Investment Committee, at least every three years and also following any change in investment policy which impacts on the content of the Statement.

**2. Management Structure**

▪ **The “Sponsor” of the Clergy Pension Fund**

For the purposes of pension’s legislation the Representative Body is deemed to be the sponsor of the Clergy Pension Fund. The Representative Body, as sponsor, is not responsible for the Fund’s investments but has an interest in the Fund’s solvency and state of funding.

▪ **The Trustee**

The Trustee of the Clergy Pension Fund has a fiduciary responsibility in relation to the operation of the trust deed and rules of the Clergy Pension Fund, including the monitoring of the Fund’s investment performance, its overall solvency and its investment strategy.

## The Representative Church Body – Report 2012

The Trustee has delegated its on-going oversight responsibilities to the Investment Committee of the RCB.

### ▪ **The Investment Committee**

The Investment Committee of the RCB has been delegated responsibility for overseeing and monitoring the performance of the Fund's investments against pre-agreed performance benchmarks and in turn has delegated the day to day investment management of the Clergy Pension Fund to an external fund manager or managers. The minutes of Investment Committee Meetings as they relate to the oversight and management of the Fund must be furnished to the Trustee on a regular basis.

### ▪ **The Investment Manager:**

One or more investment managers may be appointed by the Trustee on the recommendation of the Investment Committee to act on behalf of the Trustee. The appointment(s) may be made on a passive or active mandate basis (or a combination of the two). The investment manager(s) shall observe the specific guidelines, restrictions and philosophies within this Statement and as expressed in any written agreement furnished by the Investment Committee and pre-agreed with the Trustee.

## **3. Identification of Investment Responsibilities**

The performance benchmark(s) for the Fund are agreed with the Investment Committee by the Trustee and, where appropriate, by the Executive Committee of the RCB.

The specific delegated responsibilities of the Investment Committee include:

- (a) Determining the investment objectives of the Clergy Pension Fund.
- (b) Identifying the Fund's risk tolerance levels, or appetite for risk.
- (c) The establishment of guidelines/operational parameters on investment strategy including asset allocation and deciding suitable benchmarks.
- (d) Recommending the criteria for Social and Responsible Investment, securing the RCB's agreement on same and advising the investment managers.
- (e) Monitoring and evaluating performance and reporting to the Trustee and Executive as required.
- (f) Monitoring of purchases and sales of stocks and trading patterns generally.
- (g) Monitoring and if necessary changing the custodians, consultants and others that provide services to the Fund relating to the investment or custody of assets.
- (h) Regularly reviewing this Statement, and revising as necessary.

Subject to such guidelines and restrictions imposed by the Investment Committee the investment manager(s) with an active mandate will be responsible for making all

## The Representative Church Body – Report 2012

investment decisions on a discretionary basis and will be evaluated on their ability to achieve the performance objectives set for them.

Subject to such guidelines and restrictions, the investment manager(s) with a passive mandate will be responsible (a) for adopting the percentages and relevant indices agreed from time to time by the Investment Committee on behalf of the Trustee, (b) to make all investment decisions in order to track efficiently the agreed index/indices and (c) will be evaluated on their ability to achieve the performance objectives set for them with minimal tracking error.

Other parties with specific duties with regard to investment include the Fund's custodian(s) and consultants. These duties are documented under separate contractual agreements with those parties.

### **4. Socially Responsible Investment**

The Investment Committee on behalf of the Trustee will, on an annual basis, review social, environmental and ethical issues with the investment manager(s) for the selection, retention and realisation of investments.

### **5. Investment Objectives**

The overall investment objective of the Trustee is to maximise the level of investment return at an acceptable level of risk, through adopting a prudent, carefully funded and well-executed investment policy having regard to Socially Responsible Investment. This will in turn assist the Trustee in providing sufficient assets to meet the Fund's long-term commitment to provide pensions and other benefits for fund members and their dependants.

### **6. Risk Measurement Methods**

In determining the level of risk appropriate to the Fund at any point in time, the Trustee recognises the importance of the nature and duration of the liabilities (i.e. age profile of members), and measures the risk of the chosen investment policy by reference to these liabilities.

In particular, the Investment Committee on behalf of the Trustee considers the following risks:

- (a) The risk of achieving an insufficient level of investment return relative to the rate required to match the growth in liabilities over time.
- (b) The risk of excessive volatility in the investment returns of the Fund relative to the movement in liabilities over shorter-term periods (e.g. one year). Consideration will be given to this volatility in relation to the liabilities measured under the Minimum Funding Standard basis.

## The Representative Church Body – Report 2012

Managing the two risks above in isolation may lead to conflicting investment policies. Therefore, in formulating an appropriate investment policy, the Trustee seeks to arrive at an acceptable balance between these risks in order to meet as best it can its investment objectives. Furthermore, the Trustee will manage a range of other investment risks using the risk management processes outlined in the next section in order to create a prudent, diversified and efficient portfolio.

### 7. Risk Management Processes

The Investment Committee on behalf of the Trustee will ensure, either through direct guidance or through ascertaining the suitability of any commingled (unitised) vehicles that are used, that policies and guidelines are in place for the appointed investment manager(s) and other providers such that:

- (a) Investments are predominantly limited to marketable securities traded on recognised/regulated markets.
- (b) Prior oral agreement must be obtained from the Investment Committee to use futures, options and contracts for differences. Any such agreements must be minuted. The use of futures, options and other financial derivatives may only be used by the Manager to hedge an existing position or to pre-empt known cash flow. They may not be used to gear the portfolio.
- (c) The portfolio is properly diversified in such a way that :
  - for an active mandate, no one stock (with the exception of sovereign debt and pooled investments) may be more than 5% of the Fund so as to limit excessive reliance on any particular asset, issuer or group of undertakings and so as to limit accumulations of risk in the portfolio as a whole. However, in the case of significant share price appreciation of an existing holding, while the investment manager may not add to a stock once it exceeds 5% of the portfolio by market value, the stock may continue to be held and permitted to increase to a maximum of 7% of the portfolio value within an agreed time frame.
  - for a passive mandate no one stock shall exceed the combined weighting of its exposure to the various indices that are being tracked adjusted for any Socially Responsible Investment modifications.
  - Investments in assets issued by the same issuer or by issuers belonging to the same group do not expose the scheme to excessive risk concentration.
- (d) the Manager (s) must at all times remain conscious of the Fund's risk tolerance level (as agreed between the Investment Committee and Investment Manager from time to time)
- (e) the security, quality and liquidity of the portfolio as a whole is ensured together with an awareness of the currency requirement.

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All Managers of the Fund are employed by the Investment Committee on behalf of the Trustee and are subject to termination at any time.

### 8. Current Investment Policy

The current investment strategy of the Trustee is set out below along with a description of the investment manager arrangements adopted.

#### Strategic Asset Allocation

- The Trustee has considered the Fund's strategic asset allocation mix and has determined, having considered the views of the actuary, that an overall (i.e. for the combined Irish & UK sub-divisions of the Fund) real asset allocation (equities and property) should be approximately 85% with rebalancing to take place at a frequency determined by the Investment Committee in agreement with the Trustee. Other asset classes, such as fixed interest and cash are also typically held.
- The Trustee is aware of the nature and duration of the expected future retirement benefits but at the same time is conscious that over the longer term equity markets tend to outperform bond markets. Accordingly, the Trustee believes that such a strategy should enable the Fund to achieve its objectives over the longer term, but is aware that it may not always achieve its objectives on a short term basis. However, this strategy is kept under constant review.
- The performance benchmark(s) are developed by the Investment Committee and agreed with the Trustee.
- The Trustee recognises that even though the Fund's investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained.

#### Manager Structure and Performance Objectives

- The Trustee has chosen to appoint Irish Life Investment Managers (ILIM) (with effect from 24 January 2008) to manage the Fund on a passive (i.e. index-tracking) basis.
- The manager's performance objective is to perform in line with the relevant benchmarks (as agreed with the Trustee).

**ANNEX 6**

**REPORT OF THE INVESTMENT MANAGER  
YEAR ENDED 31 DECEMBER 2011**

**Review of 2011**

2011 saw two distinct halves for investors and once being on the right side of the risk on or risk off trade at the appropriate time rewarded investors. Investors with appetite for riskier assets benefited during the first half of the year, but a more cautious approach rewarded investors in the second half. Furthermore the optimism around inflation, economic growth and higher risk asset prices all faded in the second half of the year. Concerns about the indebtedness of the advanced economies dominated and resulted in a flight to quality that saw gold reach record high levels, government bond yields of the safe havens such as Germany, UK and US reach a new low level and equity markets in emerging markets, Europe and Japan fall. Fears of rising inflation and tighter monetary policy stances from the first half of the year were replaced with suspicions of a double dip recession and even looser monetary policy. One other striking outcome of 2011 has been the divergence in performance of US and European equities, which has resulted in a significant valuation differential.

**Eurozone Crisis – the continued search for the golden solution**

The sovereign crisis in Europe spread into the larger economies, especially after EU leaders asked private sector holders of Eurozone government bonds to take a haircut, first a 20% haircut and then later in the year a 50% haircut. Private sector involvement attached a credit risk to Eurozone government debt (which had previously not been there) and set the yields on Italian and Spanish government bonds to a level where Ireland, Portugal and Greece received a bailout from the IMF/EU. However, as the current bailout system is inadequate to deal with the large financing needs of these countries, markets feared the worst and began pricing in a recession and even the possibility that the Euro may no longer exist in its current form. The ECB stepped up its efforts to help these government bond markets and restarted its SMP bond purchasing programme and managed to keep the 10 year yields of Italy and Spain below 7% and 6% respectively, albeit an unsustainable level for these countries to refinance themselves. In December the ECB announced that it would lend an unlimited amount of money to the banking system at 1% for 3 years in December and again in February 2012, allowing the banking sector to refinance its maturing debt over the next few months which has also resulted in yields of government bonds with a maturity of up to three years to fall. This along with the commitment by EU leaders for closer fiscal integration has reinforced views that policy makers will do whatever necessary to keep monetary union together. The solution to date has not been the “golden solution” that markets have been looking for and therefore has resulted in much higher market volatility. However policy makers are ensuring that individual countries with higher debt and deficit problem adopt the necessary austerity and reform programmes and are just about doing enough to avoid liquidity or funding crises.

### **The debt crisis has dominated bond markets**

In 2011 bond market volatility increased, and a wide dispersion in the performance of Eurozone government bond markets took place. The higher growth outlook and inflationary concerns in the first quarter of 2011, led to a spike in government bond yields, back to what would have been seen as a more normalized range. For example in April the ten year German government bond yield peaked at close to 3.5%. However soon after that risk aversion increased and AAA government bond yields fell as investors sought out much safer assets and the ten year German government bond reached a historical low level of 1.67% in September. Furthermore the divergence between bond markets in Europe also widened during this period as the spread between the Italian and Spanish government bond yield over the Germany government bond yield moved out to historically high levels. Even other AAA government bonds such as France saw increased yields as markets started put an additional credit risk on French bonds. Despite this, the Italian government bond market was the principal underperformer in 2011. Some of these losses in government bond markets were recouped in December, especially after the ECB announced the three year LTRO, or longer term liquidity into the banking system which has led to increased buying of government bonds towards the end of the year.

### **Equity markets have re-rated significantly in 2011**

Global equity markets sold off significantly in the second half of 2011, notably in August when risk aversion peaked. Concerns about a global recession as well as the contagion effects of the Eurozone sovereign crisis has resulted in 10-15% sell off in European, Japanese and Emerging market equities. These market moves have come despite the resilience in earnings expectations for the full year 2011 as earnings grew by 3.6%, 2.5% and 7% respectively. As a result valuation levels have fallen back towards the levels that were seen at the bottom of the market in 2009 for these regions. US equities have also de-rated although to a smaller extent as earnings are expected to increase by 10% and markets increased by just 3%. Currently European and emerging markets equities are trading on 9 times 2011 and 2012 earnings, while US equities are on 13 times. Going into 2012, expectations are that earnings forecasts will be revised down further, although at these valuation levels, a lot is in the price.

### **Looking towards 2012**

Going into 2012, the Eurozone sovereign crisis remains high on the agenda. A key risk for the first quarter of 2012 is how or at what cost Spain, Italy and France will refinance the large amount of debt that is set to mature during the quarter. This issue alone will create volatility for equity and bond markets. However if we muddle through the crisis yields on government bonds in Europe should converge with German yields rising as some risk aversion eases and other Eurozone bond yields falling as the credit risk being attached to these bonds eases.

Aside from this earnings are expected to be downgraded on the back of the slower economic growth outlook. However equity markets in Europe, emerging markets and

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Japan have de-rated significantly during 2011 as prices fell by 12-15% even though earnings have increased by 5-10% in these regions. As a result equity market valuation levels are now close to the March 2009 level implying that equities are now pricing in a lot of bad news. In the US the de-rating has not been as aggressive as in Europe although valuations are still well below long term averages levels. Therefore if investors have the risk tolerances to cope with the volatility that may arise as a result of the Eurozone sovereign crisis, equity market are looking more attractive now than they have done in recent history.

**Irish Life Investment Managers**  
**8 February 2012**

**ANNEX 7**

**CLERGY PENSIONS FUND  
INTERNAL DISPUTE RESOLUTION (IDR) PROCEDURE**

Under Irish pensions legislation<sup>1</sup> all pension schemes are required to have an Internal Dispute Resolution (IDR) Procedure. As a result all disputes arising in connection with the administration of a pension scheme may not be brought to the Pensions Ombudsman unless they have, in the first instance, been processed through that scheme's IDR Procedure.

Accordingly, the trustees of every occupational pension scheme are required to establish internal procedures for resolution of disputes and to set out certain steps which must be included in those procedures. The Trustee of the Clergy Pensions Fund has put in place such an IDR Procedure, which must be followed before an issue can be brought to the Pensions Ombudsman.

The Pensions Ombudsman has jurisdiction to investigate specified complaints against, or disputes with, persons responsible for the management of an occupational pension scheme.

The IDR Procedure, as it relates to members of the Clergy Pensions Fund, is described below in the form of a series of "questions" and "answers".

**What is IDR?**

IDR, or Internal Dispute Resolution, is a procedure that the Trustee has drawn up in order to deal with certain types of complaints that may be made by actual or potential beneficiaries of the Clergy Pensions Fund (CPF).

**When should this IDR Procedure be used?**

Most queries or complaints in relation to the CPF are easily resolved if raised with the Pensions Administration Manager at Church of Ireland House, Church Avenue, Rathmines, Dublin 6, before invoking the IDR Procedure. Any relevant documents should be brought to the Pensions Administration Manager's attention.

If the query or complaint cannot be resolved satisfactorily by raising the issue with the Pensions Administration Manager then the Honorary Secretary of the Church of Ireland Pensions Board may be written to c/o The Head of Finance at Church of Ireland House. He/she will be able to make an initial assessment of your complaint and advise you of whether it qualifies for IDR.

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<sup>1</sup> Pensions Ombudsman Regulations, 2003 (S.I. 397 of 2003) made pursuant to section 132 of the Pensions Act 1990 as inserted by section 5 of the Pensions (Amendment) Act 2002.

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If it does qualify for IDR, the Honorary Secretary can arrange for assistance for you in writing to the Trustee invoking the IDR Procedure and in assembling relevant documentation.

If your complaint does not qualify for IDR, the Honorary Secretary may be able to recommend a resolution to your complaint. *In any event, notice of your complaint will be brought to the attention of the Trustee by the Honorary Secretary.*

### **What types of complaint can I bring to the IDR Procedure?**

Two types of complaint are eligible for IDR. If you are:

- an actual, or potential beneficiary and you allege that you have sustained financial loss due to maladministration by or on behalf of a person responsible for managing the CPF, or
- an actual or potential beneficiary and have a dispute of fact or law in relation to an action taken by a person(s) responsible for managing the CPF.

### **Do I have the right to bring my complaint directly to the Pensions Ombudsman?**

No. The Pensions Ombudsman can only consider complaints that have already been through IDR. You may refer your complaint to the Ombudsman if, having gone through IDR, you are not satisfied with the outcome.

### **How do I make a complaint using the IDR Procedure?**

If your complaint qualifies for IDR, then you must make an application in writing to:

The Company Secretary, The Church of Ireland Clergy Pensions Trustee Limited,  
Church of Ireland House, Rathmines, Dublin 6.

You must include the following information when you write to the Trustee:

- Your full name and date of birth
- Details of your membership of the Fund if relevant (e.g. serving clergy should include date of joining, retired clergy should include date of retirement, clergy who have left the service of the Church of Ireland should include the date of leaving etc)
- Your home address and the address for correspondence if different
- Your PPS Number, or National Insurance Number as appropriate
- Where you are not a member, details of your relationship to the relevant member, or details as to why you consider you should be a member
- A written statement providing all available details of your complaint or dispute

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- A description of the informal steps taken in an attempt to resolve the dispute
- A statement as to why you are aggrieved. If you believe you have suffered a financial loss, details of why you believe this to be the case with supporting calculations if possible
- Copies of all available supporting documentation
- Confirmation that you have not previously referred your complaint to the statutory Pensions Board

### **How will my complaint be dealt with by the Trustee under IDR?**

The Trustee may, on receiving your letter, appoint a nominated person, or persons, to make an initial assessment of your complaint. The nominated person(s) may decide to consult with the Church of Ireland Pensions Board and any other parties involved in the dispute, such as the scheme administrators, if relevant. The nominated person(s) will provide these parties with details of your case and consider their recommendations. The nominated person(s) may also discuss your case with their expert advisors and receive their opinion on the merits of your case.

The nominated person(s) may decide to offer you an oral hearing if it is felt that it would add clarity to the case. If such an oral hearing is offered to you, you may accept or reject it.

If, in the opinion of the nominated person(s), the case is reasonably clear, whether in your favour or otherwise, the nominated person(s) shall issue conclusions to you by way of a 'Notice of Determination'. (See later). However, for more complex cases, the case may be referred by the nominated person(s) to the Executive Committee of the Representative Body for its consideration, before a 'Notice of Determination' is issued by the nominated person(s).

If the facts of the case are unusually complex, the case can be put by the nominated person(s) to an independent person who has not previously been involved in the case. The nominated person(s) shall consider, in respect of each complaint, whether using such an independent person is appropriate. For example, the nominated person(s) may be satisfied that it has already received expert and independent advice. However if it is decided that referring the case to an independent person is likely to be useful, the nominated person(s) will consider who an appropriate independent person might be. (For example he or she might be a pensions solicitor from a firm that does not have any conflict of interest with the case.) You shall be informed of the proposed independent person and if you are not satisfied with the nominated person(s) choice, the nominated person(s) may decide not to refer the case to any independent person, but to proceed instead with issuing their conclusions to you by a 'Notice of Determination'.

If the case is referred to an independent person, such person shall be given supporting documents and asked by the nominated person(s) for a recommendation on your

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complaint or dispute. The nominated person(s) will consider any such recommendation before issuing their conclusions to you by way of a ‘Notice of Determination’.

If your complaint or dispute relates to a decision made by the Trustee which involved the exercise of its discretion on a particular point, then, if the nominated person(s) remains satisfied with the original decision, the nominated person(s) shall most likely simply confirm the Trustee’s decision to you and refer you to the part(s) of the rules of the Fund that confers that discretion.

### **What form of response to my complaint will I receive from the Trustee?**

You will receive a response in writing recording the decision in relation to the complaint or dispute *within three months* of receipt of the required information from you. This response is referred to as a **Notice of Determination**. It shall include:

- a statement of what has been decided (which could be a decision to make a compensating payment, or to reject the claim etc.)
- a reference to any legislation, legal precedent, guidelines of the statutory Pensions Board, ruling or practice of the Revenue authorities, or other material relied upon
- a reference to any parts of the rules of the scheme relied upon
- where a discretion has been exercised, a reference to the parts of the rules of the scheme that confer this discretion
- a statement that the Notice of Determination is not binding on you unless you agree in writing to be bound by it
- a statement that the Pensions Ombudsman may have jurisdiction to investigate the matter and that further information can be obtained from:

The Pensions Ombudsman  
36 Upper Mount Street  
Dublin 2  
Telephone: 00353 1 6471650  
Email: [info@pensionsombudsman.ie](mailto:info@pensionsombudsman.ie)

**Approved by The Church of Ireland Clergy Pensions Trustee Limited,  
Trustee of the Clergy Pensions Fund,  
on 22 June 2011**

**APPENDIX G**

**THE CHURCH OF IRELAND PENSIONS BOARD**

**Funds administered by the Board as delegated by The Representative Church Body.**

**THE SUPPLEMENTAL FUND**

**1. ADMINISTRATION OF THE FUND FOR THE YEAR ENDED 31 DECEMBER 2011**

The Supplemental Fund is held by the Representative Body for the provision of assistance to retired clergy of the Church of Ireland and to surviving spouses, orphans and other dependants of clergy of the Church of Ireland and is administered by the Church of Ireland Pensions Board.

The income is derived from the investments representing the capital of the various Funds comprising the Supplemental Fund and grants allocated to it by the General Synod.

Last year the following assistance was provided by means of *ex gratia* payments:

**(i) Minimum Income of Surviving Spouses and Orphans**

Grants to ensure each has a minimum income from all sources in the year commencing 1 January 2011 of not less than:

	Resident in the:	
	United Kingdom	Republic of Ireland
Surviving spouse under 80	£11,984	€17,023
Surviving spouse 80 or over	£12,439	€17,670

On 31 December 2011, pensions were in course of payment to 193 surviving spouses (excluding widows of voluntary members) of clergy of the Church of Ireland. Four surviving spouses required a grant to bring their total income up to the relevant figure in the Table.

During 2011, each surviving spouse who was in receipt of a grant from the Supplemental Fund also received:

- (a) a grant towards basic housing costs of £450 or €600 from the Housing Fund twice yearly;
- (b) a grant of £375 or €510 from monies allocated from the Priorities Fund.

As a result of these grants, the actual minimum income of surviving spouses during 2011 exceeded the figures in the Table by £1,275 or €1,710.

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**(ii) Minimum Income for Retired Clergy**

Grants shall be payable from the Supplemental Fund to retired clergy to ensure that each has a minimum income, including the Retirement Pension payable from the Church of Ireland Clergy Pensions Fund or any other approved Scheme, of not less than £8,924 (if resident in the U.K.) or €12,677 (if resident in the Republic of Ireland). Such minimum pension shall be in addition to a State or other pension (excluding a Retirement Pension payable under the Church of Ireland Pensions Fund or any other approved Scheme) or a Sickness or Invalidity Benefit or a Supplemental Grant in lieu thereof.

In calculating grants the first £1,000 (if resident in the UK) or €1,419 (if resident in the Republic of Ireland) of income earned by the clergy and/or their spouse is disregarded.

There were no clergy in receipt of this grant on 31 December 2011.

**(iii) Supplement in lieu of State Pension**

Grants shall be payable to retired clergy who are not eligible for a State, partial State or other pension (excluding a Retirement Pension payable under the Church of Ireland Pensions Fund) or a Sickness or Invalidity Benefit in lieu thereof as follows:

- (a) Clergy who retired from an office in the Republic of Ireland:
- |                                 |               |
|---------------------------------|---------------|
| Eligible clergy aged under 80   | €11,976       |
| Eligible clergy aged 80 or over | €12,496       |
| Married clergy only:            |               |
| Spouse under 66                 | €7,982 extra  |
| Married clergy only:            |               |
| Spouse 66 or over               | €10,728 extra |
| Single/widowed clergy only:     |               |
| Living alone                    | €400 extra    |
- (b) Clergy who retired from an office in Northern Ireland:
- |                  |        |
|------------------|--------|
| Eligible clergy: |        |
| Single/widowed   | £5,078 |
| Eligible clergy: |        |
| Married          | £8,120 |

The number of grants in payment on 31 December 2011 was three.

**(iv) Widow of Bishop**

A grant in accordance with the following table to the widow of a bishop who retired before 1 January 1979:

Widow of bishop	€6,481
-----------------	--------

One grant was payable on 31 December 2011.

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**(v) Removal Grants**

A grant to a surviving spouse towards the cost of removal, if his/her wife or husband was in the service of the Church of Ireland at the time of death, of the total amount involved up to a sum of £1,363 if he or she died while holding office in Northern Ireland, or €1,876 if he or she died while holding office in the Republic of Ireland.

Should death occur less than two months after date of retirement and before vacation of the glebehouse a similar grant will be paid.

**(vi) Immediate Grants to Surviving Spouses**

On the death of clergy in the service of the Church of Ireland who are survived by a spouse, an immediate grant of £3,905 if they died while holding office in Northern Ireland or €5,673 if they died while holding office in the Republic of Ireland shall be paid.

On the death of clergy in retirement from the service of the Church of Ireland who are survived by a spouse, an immediate grant of £1,229 if they resided in the United Kingdom or €1,689 if they resided in the Republic of Ireland shall be paid.

**(vii) Other Grants**

Certain other grants which, in the opinion of the Board and in the particular circumstances of each case, merited special consideration.

In addition to the grants allocated under the above headings retired clergy, surviving spouses and dependants in need received help from other sources. The Board would like to record its thanks to the Priorities Fund, the Corporation of the Sons of the Clergy, the Friends of the Clergy Corporation and the other charities and funds which provided this help.

**2. GRANTS 2012**

The Representative Body recommends that the General Synod of 2012 approves allocations of €38,313 plus £1,440 to the Supplemental Fund from 2011 income (see report of the Representative Body, page 21 in *Church of Ireland General Synod Reports 2012*).

The allocations recommended, combined with an unexpended surplus for 2011 and dividend income for 2012, will enable the Board to continue the schemes of *ex gratia* payments to surviving spouses and retired clergy and it has decided that from 1 January 2012 these shall be as follows:

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**(i) Minimum Income of Surviving Spouses and Orphans**

	Resident in the:	
	United Kingdom	Republic of Ireland
Surviving spouse under 80	£12,224	€17,023
Surviving spouse 80 or over	£12,688	€17,670

It is estimated that the cost of this scheme will be €7,727 plus £9,427.

**(ii) Minimum Income for Retired Clergy**

Grants shall be payable from the Supplemental Fund to retired clergy to ensure that each has a minimum income, including the Retirement Pension payable from the Church of Ireland Clergy Pensions Fund or any other approved Scheme, of not less than £9,103 (if resident in the U.K.) or €12,677 (if resident in the Republic of Ireland). Such minimum pension shall be in addition to a State or other pension (excluding a Retirement Pension payable under the Church of Ireland Pensions Fund or any other approved Scheme) or a Sickness or Invalidity Benefit or a Supplemental Grant in lieu thereof.

In calculating grants the first £1,000 (if resident in the UK) or €1,337 (if resident in the Republic of Ireland) of income earned by the clergy and/or their spouse is disregarded.

As currently no clergy are in receipt of a grant under this scheme it is envisaged no cost will be incurred in 2012..

**(iii) Supplement in lieu of State Pension**

- (a) Clergy who retired from an office in the Republic of Ireland:
- |                                 |               |
|---------------------------------|---------------|
| Eligible clergy aged under 80   | €11,976       |
| Eligible clergy aged 80 or over | €12,496       |
| Married clergy only:            |               |
| Spouse under 66                 | €7,982 extra  |
| Married clergy only:            |               |
| Spouse 66 or over               | €10,728 extra |
| Single/widowed clergy only:     |               |
| Living alone                    | €400 extra    |
- (b) Clergy who retired from an office in Northern Ireland:
- |                  |        |
|------------------|--------|
| Eligible clergy: |        |
| Single/widowed   | £5,312 |
| Eligible clergy: |        |
| Married          | £8,494 |

It is estimated that the cost of this scheme will be €12,496 plus £1,440.

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**(iv) Widow of Bishop**

A grant in accordance with the following table to the widow of a bishop who retired before 1 January 1979:

Widow of bishop	€6,481
-----------------	--------

The cost of this scheme will be €6,481.

**(v) Removal Grants**

Northern Ireland	£1,440
Republic of Ireland	€1,925

**(vi) Immediate Grants to Surviving Spouses**

In service:

Northern Ireland	£4,124
Republic of Ireland	€5,820

In retirement:

Northern Ireland	£1,298
Republic of Ireland	€1,733

**3. RULES**

Copies of the rules are available on application to the Pensions Administration Manager.

**4. FINANCIAL STATEMENTS**

The Financial Statements of the Supplemental Fund are set out in the following pages.

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**THE SUPPLEMENTAL FUND**

**31 December 2011**

**FUND STATEMENT**

	2011 €'000	2010 €'000
<b>INCOME</b>		
General Synod Allocations	47	13
Investment Income	32	31
Income from Trusts and Donations	2	2
	<u>81</u>	<u>46</u>
<b>EXPENDITURE</b>		
Augmentation – Surviving Spouses and Orphans	15	34
Grants to Surviving Spouses	14	21
Grants to Retired Clergy	22	22
Expenses	5	5
	<u>56</u>	<u>82</u>
Surplus / (Deficit) of income	<u>25</u>	<u>(36)</u>
Revaluation movement	(15)	42
Currency translation adjustment	14	15
	<u>(1)</u>	<u>57</u>
Net increase/(decrease) in fund for year	(1)	57
Capital balance 1 January	764	707
Capital balance 31 December	<u>763</u>	<u>764</u>

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**THE SUPPLEMENTAL FUND**

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**ANALYSIS OF FUND ASSETS AT 31 DECEMBER 2011**

	2011 €'000	2010 €'000
Investments at Valuation		
RB General Unit Trusts	763	764
	<hr/> 763	<hr/> 764
	<hr/>	<hr/>

**Notes**

1. The Supplemental Fund is vested in The Representative Church Body, as Trustee, for the provision of assistance to retired clergy of the Church of Ireland and to spouses, orphans and dependants of clergy of the Church of Ireland.

The Fund is established under Chapter XV of the Constitution of the Church of Ireland and administered by the Church of Ireland Pensions Board.

2. Accounting Policies are the same as those adopted for the Clergy Pensions Fund.

**ACCOUNTANTS' REPORT**

The Representative Church Body is responsible for preparing the Fund Statement and the Statement of Assets for the year ended 31 December 2011. We have examined the above and have compared them with the books and records of the Fund. We have not performed an Audit and accordingly do not express an audit opinion on the above statements. In our opinion the above statements are in accordance with the books and records of the Fund.

PricewaterhouseCoopers  
Chartered Accountants  
Dublin

March 2012

**OTHER FUNDS ADMINISTERED BY THE BOARD**

**1. Sundry Diocesan Widows' and Orphans' Funds**

Grants are paid on the recommendation of the patron, who is usually the Bishop. The total of grants paid in 2011 was €41,708 and £3,244.

**2. Housing Assistance Fund**

The Housing Fund has been created by The Representative Church Body mainly from the income of certain endowments and bequests received by it from generous benefactors and where the terms of trust permit.

The Fund is being administered under a Scheme prepared by the Board and approved by The Representative Church Body. Grants amounting to €37,191 plus £65,700 were allocated in 2011 as in previous years. Many expressions of thanks and appreciation have been received from the recipients.

The Board is most grateful for these donations and hopes that this Fund, which has already been of considerable help to retired clergy and surviving spouses with financial outlay arising from the provision and/or upkeep of housing accommodation, will be given further support by donations or bequests.

Two houses were bequeathed to The Representative Church Body, one of which is let to a member of the clergy and the other let to the surviving spouse of a clergyman. These are administered by the Board.

**3. Priorities Fund – additional income for the most elderly and needy**

A further grant was allocated by the Standing Committee from the Priorities Fund in 2011 to provide additional income for the most elderly and needy retired clergy and surviving spouses of clergy. This enabled the Board to give an additional grant of €510 or £375 as appropriate, to each retired member of the clergy who had reached 65 years of age and to each surviving spouse irrespective of age who also needed a grant from the Supplemental Fund to ensure a minimum income under the schemes in operation for that purpose. A total of four surviving spouses and one clergy benefited from the allocation and expressions of appreciation have been received.

The Board has applied to the Priorities Fund Committee for a grant for 2012.

**4. Mrs E Taylor Endowment**

The Representative Body requested the Board to administer the Endowment “to provide additional benefits over and above the normal pensions for retired clergymen of the Church of Ireland who should be residing in the 26 counties of Southern Ireland”.

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The Board has decided that the income from the Endowment should be allocated in the first instance for the benefit of those retired clergy in the Republic of Ireland who required nursing/home care either for themselves or their spouses including health and paramedical expenses.

During 2011, grants totalling €30,300 were paid to 10 retired clergy.

### **5. Rev Precentor RH Robinson Bequest**

The income of this bequest has in previous years been allocated annually by the Board in accordance with the terms of trust as an additional payment to a retired clergyman. The income is currently circa €10 per annum. In 2011 it was decided, after consultation with the Head of Property and Trusts, to allow the income to accumulate for a period of five years until a more substantial grant may be allocated.

### **6. Rev GJ Wilson Bequest**

The income of this bequest is available for the benefit of retired clergymen of the dioceses of Dublin, Glendalough and Kildare. The Board allocates the income having sought recommendations from the Archbishop of Dublin and the Bishop of Meath and Kildare.

In 2011, the total of grants paid was €1,803.

### **7. Discretionary Fund – Retired Clergy/Surviving Spouses**

This Fund is available to provide (i) discretionary grants unrelated to Housing, to surviving spouses of clergy to be administered in a similar fashion to that of the Housing Fund and (ii) greater support for retired clergy resident in Northern Ireland or outside Ireland.

Allocations of £21,500 were made in 2011 which, together with income from bequests allocated to the Fund by the Representative Body, enabled the Board to make grants totalling €18,900 and £120 to 11 surviving spouses and grants totalling £14,653 to eight retired clergy.

The Board would welcome donations and bequests in order to provide a permanent income for this Fund.

## APPENDIX H

### SCHEDULE OF THE KEY ELEMENTS OF THE LIKELY PACKAGE OF CHANGES TO THE CLERGY PENSIONS FUND

**Proposed Changes to Normal Retirement Age (NRA)** – Recognising increasing longevity, State Pensions will in the future become payable in both the Republic of Ireland and Northern Ireland at later ages than previously. Accordingly there is logic in increasing the NRA of the current members of the Clergy Pensions Fund (“the Fund”). It is planned that this would be done on phased basis to recognise that an existing member who is, say, currently aged 40 is less affected by his/her NRA increasing than a member who is, say, currently aged 65.

To recognise this, the current changes in NRA being considered are along the following lines:

Age of member <i>when changes are implemented</i>	Proposed New NRA
< 55 years	68
55 -59 years	67
60- 64 years	66
65 + years	65

**Discretionary pension increases** – it is being considered that there be no discretionary increases in pensions for the next 5 years (ie until 2018). However if the assets of the funds were to show unexpected gains, then the Trustee and the RB would, on the advice of the Actuary, have the power to relax this freeze.

**Increases in Pensionable Stipend** – it is being considered that there be no increases in Pensionable Stipend for the next 5 years (ie until 2018). However as above, if the assets of the funds were to show unexpected gains, then the Trustee and the RB would, on the advice of the Actuary have the power to relax this freeze.

**Closing the Fund to new members** – it is being considered that no new entrants be admitted to the Clergy Pensions Fund Defined Benefit Scheme with effect from the date of the Synod passing the relevant resolution, and that pensions for subsequently appointed clergy be provided through a Defined Contribution scheme. The overall rate of contribution to a Defined Contribution Scheme has not yet been fully researched, but it is planned that the rate would be fixed with the expectation that it would be capable of providing an appropriate and not-ungenerous level of pension.

**Note** on some of the terms used above

- In a ‘defined benefit’ pension scheme the eventual pension receivable is defined in relation to a member’s final pay level and his/her length of service. Contributions to such a fund are calculated to deliver that level of pension.
- In a ‘defined contribution’ scheme the amounts paid into a member’s pension plan are pre-defined, and each member is allocated their own, individual, part of the fund. When the member retires, the total amount of money in the fund allocated to that member is used to purchase his or her pension.

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**APPENDIX I**

**CHURCH FABRIC FUND – GRANTS ALLOCATED DURING 2011**

Diocese	Church	Amount	
		£	€
Armagh	Ballymore	1,800	
	Creggan	5,500	
	Desertlyn	800	
	Drumbanagher	1,800	
	Portadown, St Columba's	33,900	
	Sixmilecross	11,600	
	Tynan	19,250	
Derry	Camus-Juxta-Mourne	9,700	
	Sion Mills	9,450	
Down	Donaghadee	53,200	
	Knockbreda	2,300	
Kilmore	Annagh		450
	Drumgoon		2,450
Ardagh	Clonbroney		17,200
Dublin	Sandford		2,475
	St Werburgh's		11,700
Glendalough	Arklow		6,700
Cork	Templetrine		2,400
Limerick	Adare		9,800
		<hr/>	<hr/>
		149,300	53,175
		<hr/>	<hr/>

**APPENDIX J**

**ACCESSIONS OF ARCHIVES AND MANUSCRIPTS TO THE  
REPRESENTATIVE CHURCH BODY LIBRARY, 2011**

The inclusion of material in this list does not necessarily imply that it is available to researchers.

**1. ARCHIVES**

**(i) Parish Records**

**Bandon (Cork)**

Ballinadee & Leighmoney: preachers' bk, 1946-60

Ballymodan: vestry bks, reg. of vestrymen, preachers' bks, misc. papers, 1784-2002

Brinny: vestry bk, preachers' bk, 1942-60

Innishannon: vestry bks, preachers' bks, 1953-79

Kilbrogan: vestry bks, reg. of vestrymen, preachers' bks, SS roll bk, 1870-1981

Rathclaren: preachers' bks, 1948-94.

**Carrickmacross (Clogher)**

Carrickmacross: architectural drawings, 1868.

**Castlecomer (Ossory)**

Castlecomer: annual reports, 1898-99.

**Clooney (Derry)**

Clooney: regs, vestry bks, accounts, regs of vestrymen, confirmations, annual reports, misc.papers, 1847-2006

Strathfoyle: marriage reg, preachers' bk, 1975-2007.

**Cork – St Finbarre**

Holy Trinity: minute bk, 1807-30

St Finbarre: music lists, 1940s.

**Cregagh (Down)**

Cregagh: vestry bks, 1928-2008.

**Douglas (Cork)**

Douglas: accounts, 1861-1952

Marmullane: Ladies Guild minutes & accounts, 1938-88.

**Drumcondra (Dublin)**

Drumcondra: parish magazines, 1897-2008.

**Dublin – St Bartholomew**

Leeson Park: vestry bk, 2000-11

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St Bartholomew: vestry bk, 2000-11.

**Dublin – St Patrick's Cathedral**

St Audeon: preachers' bk, 1950-79

St Peter: preachers' bk, confirmations 1928-75.

**Dunganstown (Glendalough)**

Dunganstown: vestry bk, preachers' bk, 1898-1991.

**Kells (Ossory)**

Ballaghtobin: marriage reg, preachers' bk, 1959-20088

Ennisnag: marriage reg, 1959-2006

Inistioge: marriage reg, preachers' bks, 1893-2007

Kells: marriage reg, accounts, 1959-2008

Kilfane: marriage reg, 1961-2004

Rower: preachers' bks, 1896-1946.

**Kilcolman (Ardfert)**

Aglis: regs, preachers' bks, 1854-1958

Glenbeigh: regs, 1846-1950

Kilcolman: regs, vestry bks, regs of vestrymen, accounts, preachers' bks, SS roll bks, 1793-1988

Killorglin: regs, vestry bks, regs of vestrymen, accounts, preachers' bks, 1846-2004

Kiltallagh: regs, vestry bk, preachers' bks, 1846-2005

Knockane: regs, 1850-1979

Molahiffe: regs, 1879-1975.

**Kilkenny (Ossory)**

Aghour: marriage reg, preachers' bk, 1924-95

Blackrath: vestry bk, 1836-48

Kilfane: preachers' bks, 1839-1915

Kilmanagh: regs, vestry bk, reg of vestrymen, 1784-2007

Odagh: reg of vestrymen, preachers' bk, 1882-2010

St Canice: marriage regs, reg of vestrymen, preachers' bk, banns, visitors' bks, 1878-2009

St John: marriage reg, vestry bk, reg of vestrymen, 1813-2009

St Mary: regs, vestry bk, 1729-1952

Treadington: preachers' bks, 1876-1912

Wells: accounts, 1870-71.

**Killala (Killala)**

Ballysakery: accounts, 1962-66

Killala: accounts 1905-32.

**Killaloe (Killaloe)**

Killaloe: baptismal reg, 1845-2011.

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**Kilternan (Dublin)**

Kilternan: misc. papers, 20<sup>th</sup> cent.

**Kingscourt (Meath)**

Ardagh: baptismal reg, 1926

Drumconrath: burial reg, 1900-98

Kingscourt: regs, confirmations, 1881-2007

Moybologue: regs, 1896-1986

Syddan: marriage reg, 1958-99.

**Kinsale (Cork)**

Kinsale: deeds, misc. papers, 1712-1967.

**Malahide (Dublin)**

Malahide: preachers' bk, 2007-11.

**Mountmellick Kildare)**

Coolbanagher: regs, reg of vestrymen, 1870-2010

Mountmellick: regs, preachers' bk, 1840-2010

Rosenallis: regs, 1846-2008.

**Mullingar (Meath)**

Almorita: marriage reg, 1959-2006

Clonard: marriage reg, 1960-63

Kilbixy: marriage reg, 1968-2007

Kilcock: marriage reg, 1973

Killucan: marriage reg, 1958-2006

Leney: burial reg, 1860-1983

Moyliscar: marriage reg, 1957-90

Mullingar: marriage reg, vestry book, misc. papers, 1943-2007.

**Nenagh (Killaloe)**

Killodiernan: architectural drawings, 1878

Templeharry: regs, 1800-77.

**Roscommon (Elphin)**

Cashel/Rathcline: vestry bk, 1921-2009.

**Sandford (Dublin)**

Sandford: vestry bks, church committee minutes, regs of vestrymen, accounts, preachers' bks, annual reports, misc. papes, photographs, architectural drawings 1826-1992.

**Sandymount (Dublin)**

Sandymount: trustees' reports, 2004-10.

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**Taney (Dublin)**

Taney: confirmations, 1936-76.

**Tralee (Ardfert)**

Kilflynn: preachers' bk, 1970-72.

**Wexford (Ferns)**

Coolestuffe: index to regs

Horetown: index to regs

Taghmon: index to regs.

**Zion (Dublin)**

Zion: orders of service, 2008-09.

**(ii) Diocesan Records**

Dublin & Glendalough: misc. diocesan registry papers, 20<sup>th</sup> cent.  
From Canon VG Stacey, Dublin.

Dublin & Glendalough: seal matrix of Archbishop JAF Gregg  
From Christ Church Cathedral, Dublin.

Ossory, Ferns & Leighlin: misc. diocesan registry papers, 19/20<sup>th</sup> cent.  
From St Canice's Library, Kilkenny.

**(iii) Cathedral Records**

St Canice's Cathedral, Kilkenny: minute bks, misc. papers, photographs, misc.  
printed material, 1871-1925  
From St Canice's Cathedral, Kilkenny.

**(iv) General Synod Records**

Ecclesiastical Tribunals register, 2001-  
From Church of Ireland House, Dublin.

**2. MANUSCRIPTS**

Acheson, Alan: papers rel. to his history of the Church of Ireland & General Synod  
speeches, 1996-2008  
From Dr Alan Acheson, Canada.

Alcock family: deeds rel. to Waterford city, 1811-75  
Beresford, Archbishop Lord John George: corresp. rel. to the diocese of Ossory,  
Ferns & Leighlin, 1825-42

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Campbell Thomas, Chancellor of Clogher: papers & photographs, 19<sup>th</sup> cent.  
Curtis, Prof. Edmund: letters from, 1937  
Day, Bishop JGF: sermons, illuminated addresses, photographs, 1907-40  
Kilkenny Clerical Meeting: minute bk, 1800-70  
Kilkenny Protestant Orphan Society: minutes & accounts, 1861-90  
Kingsmill family: family history by WK Cook-Kingsmill  
Ossory Clerical Union: minute bks, 1903-64  
Ossory Diocesan Temperance Association: account bk, 1876-1936  
Ossory & Leighlin Choral Festival: minute bk, 1908-65  
Thomastown Loan Fund: minute bk, 1860-99  
From St Canice's Library, Kilkenny.

Armagh Junior Clerical Association: minute bk, 1935-47  
From Rev MRK Ferry, Clooney.

Babbington, Richard: annotated copy of the Irish Church Act, 1869  
Bangor (Down): architectural drawings of church hall, 1904  
Tullylish (Dromore): architectural drawings of church, [n.d.]  
From JA Gamble, Belfast.

Bartlett, Canon JR: sermons, 2011  
From Canon JR Bartlett, Dalkey, Co. Dublin.

Brown, Rev JS: Good Friday addresses in Belfast Cathedral, 1954  
Dundrum Group Toc H: minute bk, 1939-41  
Hardy Family: family bible & related papers  
From Rev Niall Sloane, Dundrum.

Ferns Clerical Association: minute bks, 1935-95  
From Rev IF Dungan, New Ross.

Heney, Ven WB: papers, photographs & orders of service rel. to parishes in the  
diocese of Clogher, 1964-73  
From Ven WB Heney, Dublin.

Leckey, Very Rev Hamilton: sermons  
From Mr Stephen Leckey.

Nicholson, Rev BTW: vol. of music, 1937  
From EFM Gordon.

Nicholson, Rev JA: deeds, certificates & letters, 1811-75  
From Warwickshire Co. Library.

Semple, SP: texts of literary writings.  
From the Rev SP Semple, Monkstown, Co. Dublin.

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Sunday School Society for Ireland: minute bk, 1986-99  
From Ms Heather Wilkinson, Dublin.

**3. PHOTOCOPIES**

Bagnell, John, Kingstown: copy will, 1836  
From Ms G. Haen, USA.

Dowpe, HS: transcripts of two journals, late 19/early20h cent.  
From Ms Sheila Coles, Woking.

Drumbo (Down); petition & deede of consecration, 1791  
From Mr JF Rankin, Drumbo, Co. Down.

Smyth, Rev James: family pedigree  
From Ms Lisa Lawrence.

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**APPENDIX K**

**FUNDS RECEIVED  
BY THE  
REPRESENTATIVE CHURCH BODY IN 2011  
FOR  
PAROCHIAL AND DIOCESAN ENDOWMENT ETC**

	€	£
Bell Bequest		2,500
Benson, HW	50,000	
Berney, Dr AG		2,000
Bussell, Frederick George		200
Cahill, Billy		1,000
Church Education Society for Ireland (addition)	30,000	
Cox, Joseph & Olivia (addition)	200	
Dublin & Glendalough Diocesan Board of Education (addition)	4,449	
Farrelly, T & J		1,000
Fleming, Samuel M (addition)	180	
Foy, Anna K E		57,991
Garden of Remembrance Zion (Dublin) (addition)	1,486	
Harman, Dean Memorial Fund	37,073	
Hetherington, Ivy		1,100
Hetherington, Johnston & Ivy		5,000
Hopkins Family	3,717	
Hughes, James	13,974	
Johns, Leslie & Jean	4,000	
Laughton, Sheila	5,105	
Mahon, Matthew Neary (addition)	51,000	
McCullagh, Tommy	40	
McManus, Angel G (addition)		55,770
Monaghan, Robert (addition)		100
Mothers' Union of Ireland Centenary Fund (addition)	6,000	
Parish Funds Tralee (Ardfert) (addition)	643	
Pope, Valle & E White (addition)	7,610	
Rodgers, Florence		500
Russell, Maisie	260	
Scott, Frederick (Freddy)	500	
Sinnamon, Benjamin HI (addition)		986
Smyth, Lucy (addition)	15	
Strong Family		500

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	€	£
Sundry Trusts/Parish Funds Kildrumferton (Kilmore) (addition)	2,000	
Sundry Trusts/Parish Funds Milltown (Dublin)	2,000	
Warrington Trust	1,904	
Webb, Ven WP (addition)	2,292	
	<hr/> 224,448	<hr/> 128,647
	<hr/>	<hr/>

