CHURCH OF IRELAND

THE REPRESENTATIVE CHURCH BODY

REPORT 2014

CONTENTS

APPENDICES

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

Chairman

The Most Rev Richard Clarke, Archbishop of Armagh

The Most Rev
Richard Clarke

Committee Chairpersons

Executive	Mr Robert Neill
	Mr Henry Saville (Deputy)
Allocations	Canon Graham Richards
Investment	Mr Henry Saville
Property	Mr Robert Kay
Stipends	Mr William Oliver
Library and Archives	Mr Michael Webb
Legal Advisory	Mr Lyndon MacCann SC
Audit	Mr Henry Saville

Chief Officer and Secretary

Mr Adrian Clements

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

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

Office

Church of Ireland House
Church Avenue
Rathmines Dublin 6

Tel 01-4978422 Fax 01-4978821
Email office@rcbdub.org
Website www.rcb.ireland.anglican.org

Library

Braemor Park
Churchtown
Dublin 14

Tel 01-4923979
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Email library@ireland.anglican.org

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

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

The Representative Body is composed of the following sixty members. The recorded attendance of each at the four meetings of the Representative Body held during the year 2013 is denoted by the figure placed before each name.

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

3 The Most Rev Richard Clarke, Archbishop of Armagh
The See House, Cathedral Close, Armagh BT61 7EE

3 The Most Rev Michael Jackson, Archbishop of Dublin
The See House, 17 Temple Road, Dublin 6

1 The Most Rev Pat Storey, Bishop of Meath and Kildare*
Bishop’s House, Moyglare, Maynooth, Co Kildare

4 The Rt Rev John McDowell, Bishop of Clogher
The See House, Fivemiletown, Co Tyrone BT75 0QP

3 The Rt Rev Kenneth Good, Bishop of Derry and Raphoe
The See House, 112 Culmore Road, Londonderry BT48 8JF

3 The Rt Rev Harold Miller, Bishop of Down and Dromore
The See House, 32 Knockdene Park South, Belfast BT5 7AB

2 The Rt Rev Alan Abernethy, Bishop of Connor
3 Upper Malone Road, Belfast BT9 6TD

1 The Rt Rev Ferran Glenfield, Bishop of Kilmore†
The See House, Kilmore Upper, Cavan, Co Cavan

2 The Rt Rev Patrick Rooke, Bishop of Tuam
Bishop's House, Breaffy Woods, Castlebar, Co Mayo

3 The Rt Rev Michael Burrows, Bishop of Cashel, Ferns and Ossory
Bishop’s House, Troysgate, Kilkenny

3 The Rt Rev Paul Colton, Bishop of Cork, Cloyne and Ross
The Palace, Bishop Street, Cork

3 The Rt Rev Trevor Williams, Bishop of Limerick and Killaloe
Rien Roe, Adare, Co Limerick

* from November 2013, in place of Most Rev Richard Clarke (translated to Armagh)

† from May 2013, in place of Rt Rev Kenneth Clarke (retired December 2012)

B Elected members (36)

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

Armagh	1	Ven Raymond Hoey, The Rectory, 2 Maytown Road, Bessbrook, Co Down BT35 7LY (2015)
	3	Mrs Ethne Harkness, 134 Coagh Road, Stewartstown, Co Tyrone BT71 5LL (2016)
	3	Mrs Jane Leighton, 14 Drumbeemore Road, Armagh BT60 1HP (2014)
Clogher	3	Rev Canon Bryan Kerr, The Rectory, Faughard, Lisbellaw, Co Fermanagh BT94 5ES (2015)
	0	Mr William Allen, Aughnahinch, Newtownbutler, Co Fermanagh BT92 8LU (2016)
	2	Mr John Keating, Kilturk West, Newtownbutler BT92 2BS, Co Fermanagh (2014)
Derry and Raphoe	4	Rev Canon Henry Gilmore, The Rectory, Ramelton, Letterkenny, Co Donegal (2014)
	4	Mr Robert Pollock, 77 Edenderry Road, Omagh, Co Tyrone BT79 0NP (2015)
	1	Mr Sydney Gamble, 14 Spruce Road, Dysart, Strabane, Co Tyrone (2016)
Down and Dromore	2	Ven Roderic West, The Rectory, 63 Lurgan Road, Banbridge, Co Down BT32 4LY (2015)*
	2	Mr Basil O'Malley, 182 Lurgan Road, Magheralin, Craigavon, Co Armagh BT67 0QP (2016)†
	4	Mr Trevor Douglas, 7 Rampark, Dromore Road, Lurgan, Co Armagh BT66 7JH (2014)
Connor	3	Very Rev John Mann, The Deanery, 5 Deramore Drive, Belfast BT9 5JQ (2015)
	4	Mr Robert Kay, 2 Brookvale Terrace, Portrush, Co Antrim BT56 8EY (2016)
	3	Mr John Wallace, The Hermitage, 7 Ahoghill Road, Randalstown, Co Antrim BT41 3BJ (2014)
Kilmore, Elphin and Ardagh	2	Ven Craig McCauley, The Rectory, Virginia, Co Cavan (2014)
	4	Miss Maud Cunningham, Clonatumpher, Florencecourt, Enniskillen, Co Fermanagh BT92 1BA (2015)
	3	Mr Kenneth Davis, Aughafad, Longford (2016)
Tuam, Killala and Achonry	4	Very Rev Alistair Grimason, The Deanery, Deanery Place, Cong, Co Mayo (2014)
	1	Prof Paul Johnston, Luimnagh West, Corrandulla, Co Galway (2015)
	1	Mr Julian Ellison, Ardagh Cottage, Newport, Co Mayo (2016)‡

* elected June 2013 in place of the late Ven Philip Patterson

† elected June 2013 in place of Mr Albert Wilson (retired June 2013)

‡ elected September 2013 in place of the late Mr Ben Bradish

Dublin and Glendalough	3	Ven David Pierpoint, The Vicarage, 30 Phibsborough Road, Dublin 7 (2015)
	4	Mr Robert Neill, Killegar Park, Enniskerry, Co Wicklow (2016)
	3	Mr Geoffrey Perrin, Barn Close, Ballybrack Road, Shankill, Co Dublin (2014)
Meath and Kildare	2	Ven Leslie Stevenson, The Rectory, Portarlington, Co Laois (2015)
	3	Mr Ronald Colton, Highfield, Ballyduff, Tullamore, Co Offaly (2016)
	3	Mr Kevin Bowers, Springwood, 2 Narrroways, Bettystown, Co Meath (2014)
Cashel, Ferns and Ossory	2	Ven Christopher Long, The Rectory, St John's, Enniscorthy, Co Wexford (2014)
	4	Mr Peter Clifton-Brown, Ballinamona House, Cashel, Co Tipperary (2015)
	4	Mr Charles Galloway, The Old Cottage, Raheen, Kilmeaden, Co Waterford (2016)
Cork, Cloyne and Ross	4	Ven Robin Bantry White, Moviddy Rectory, Aherla, Co Cork (2014)*
	3	Mr Keith Roberts, Corran, Ferney Road, Carrigaline, Co Cork (2015)
	3	Mr John Stanley, Scart House, Belgooly, Co Cork (2016)
Limerick and Killaloe	4	Rev Canon Robert Warren, Taney Rectory, 6 Stoney Road, Dundrum, Dublin 14 (2014)
	4	Mrs Lorna Gleasure, Phoenix Farm, Kilflynn, Tralee, Co Kerry (2015)
	2	Mr Roy Benson, Templehollow, Killaloe, Co Clare (2016)

C Co-opted Members (12)

3	Rev Andrew Forster, The Rectory, 26 Circular Road, Dungannon BT71 6BE, Co Tyrone (2014)
2	Mr Terence Forsyth, 3 Hainault Lawn, Dublin 18 (2016)†
4	Mr Samuel Harper, Cramer's Grove, Kilkenny, Co Kilkenny (2014)
3	Mr Lyndon MacCann SC, 2 Knapton Terrace, Dun Laoghaire, Co Dublin (2015)
1	Mr Tim McCormick, 13 Ontario Terrace, Dublin 6 (2014)
4	Mr William Oliver, Exorna House, Castlerock, Co Londonderry BT51 4UA (2014)
2	Mrs Judith Peters, The Deanery, Rosscarbery, Co Cork (2016)†
4	Ms Hilary Prentice, Wayside Cottage, Drummin West, Delgany, Co Wicklow (2015)
4	Canon Graham Richards, 32 St Alban's Park, Dublin 4 (2015)
4	Mr Henry Saville, 22 Church Road, Boardmills, Lisburn BT27 6UP (2015)
3	Mr David Smith, Knockleigha, Shaw's Bridge, Co Down BT8 8JS (2015)
3	Mr Michael Webb, 2 Mount Salus, Knocknacree Road, Dalkey, Co Dublin (2016)†

The following co-opted members retire in May 2014:

Rev Andrew Forster
Mr Samuel Harper
Mr Tim McCormick
Mr William Oliver

Note Two Honorary Secretaries of the General Synod are in attendance at meetings of the Representative Body.

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* retired as from March 2014

† eligible to attend three meetings maximum due to triennial retirement as co-opted member (re-elected May 2013)

COMMITTEES OF THE REPRESENTATIVE BODY

The Executive, Allocations, Investment, Property, Stipends, Library and Archives, Legal Advisory and Audit Committees are elected triennially from the members of the Representative Body. The current triennium ends in September 2016. Membership details, together with numbers of meetings held and record of attendances for the year 2013 are shown below. The Chairpersons were appointed in September 2013 for a three year period.

EXECUTIVE COMMITTEE

Mr Robert Neill

(8 meetings)

Mr Robert Neill (8)
(Chair)

Most Rev Richard Clarke	(7)	Rev Andrew Forster	(4)
Most Rev Michael Jackson	(5)	Very Rev John Mann	(3)
Rt Rev Paul Colton*	(4)	Ven Robin Bantry White	(7)
Canon Graham Richards	(8)	Mr Terence Forsyth	(7)
Mr Henry Saville	(7)	Mr Lyndon MacCann SC	(6)
Mr Robert Kay	(6)	Mr Geoffrey Perrin	(7)
Mr William Oliver	(7)	Mr Michael Webb	(6)

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

The Archbishops and the Chairpersons of the Allocations, Investment, Property and Stipends Committees are *ex officio* members of the Executive Committee. Mr Samuel Harper attends Executive Committee meetings as an Honorary Secretary of the General Synod. Mr Sydney Gamble on retiring from the Chair in September 2011 was appointed Adviser to the Executive Committee until September 2013.

Prayer read at the commencement of all Executive Committee meetings

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

* from March 2013

Canon Graham Richards

ALLOCATIONS COMMITTEE

(3 meetings)

Canon Graham Richards (3)
(Chair)

Most Rev Richard Clarke	(2)	Rev Andrew Forster	(2)
Mr Kenneth Davis	(3)	Mr John Stanley	(3)

The function of the Allocations Committee is to investigate requests for financial support and make recommendations to the Executive Committee or the Representative Body as appropriate, to maintain a 'watching brief' on the use and deployment of resources allocated to committees and organisations including their budgetary procedures and accounting policies, to anticipate financial pressures ahead and plan forward accordingly, to ensure that trust limitations are observed in the use of Representative Body funds and to co-ordinate with other financial bodies (Priorities Fund Committee, Investment Committee, Stipends Committee, Pensions Board etc).

Mr Henry Saville

INVESTMENT COMMITTEE

(7 meetings)

Mr Henry Saville (7)
(Chair)

Mr Roy Benson	(7)	Ms Hilary Prentice	(7)
Mr Terence Forsyth	(6)	Mr David Smith	(3)
Mr Tim McCormick	(6)	Mr John Wallace	(5)

The function of the Investment Committee is to oversee the invested funds of the Representative Body and other funds held in trust, to monitor portfolio and investment management performance, to maintain an appropriate level of reserves, to formulate lending policies and approve parochial and glebe loan applications, to advise with regard to investment policy and strategy and generally report to the Executive Committee or to the Representative Body as appropriate.

PROPERTY COMMITTEE

(5 meetings)

Mr Robert Kay (5)
(Chair)

Mr Robert Kay

Mr William Allen	(1)	Mr Trevor Douglas	(4)
Mr Peter Clifton-Brown	(5)	Mrs Jane Leighton	(5)
Mr Ronald Colton	(5)	Mr Keith Roberts	(5)
Miss Maud Cunningham	(5)	Rev Canon Robert Warren	(5)

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

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

STIPENDS COMMITTEE

(2 meetings)

Mr William Oliver (2)
(Chair)

Mr William Oliver

Mr Kevin Bowers*	(1)	Rev Canon Bryan Kerr†	(1)
Rt Rev Paul Colton	(2)	Mrs Jane Leighton	(1)
Mrs Lorna Gleasure	(2)	Mr Geoffrey Perrin	(2)
Prof Paul Johnston	(2)	Ven David Pierpoint	(2)

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

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* elected September 2013 to fill a casual vacancy
† elected September 2013 in place of the late Ven Philip Patterson

Mr Michael Webb

LIBRARY AND ARCHIVES COMMITTEE

(4 meetings)

Mr Michael Webb (4)
(Chair)

Rt Rev John McDowell	(3)	Rt Rev Patrick Rooke	(0)
Very Rev John Mann	(2)	Ven Robin Bantry White	(3)

Advisory Members	–	Mrs Valerie Coghlan	(1)
	–	Rev Dr Maurice Elliott	(2)
	–	Rev Dr Adrian Empey	(3)
	–	Dr Kenneth Milne	(4)

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

Mr Lyndon MacCann

LEGAL ADVISORY COMMITTEE

(0 meetings)

Mr Lyndon MacCann SC
(Chair)

Mr Anthony Aston SC	Mrs Judith Peters
His Honour Judge Gerard Buchanan	Mr Andrew Walker*
The Hon Mr Justice Declan Budd	Mr John Wilson QC

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

* elected December 2013 in place of Ms Hilary Prentice (resigned September 2013)

AUDIT COMMITTEE


Mr Henry Saville

(2 meetings)

Mr Henry Saville (2)
(Chair)

Mr Roy Benson	(2)	Ms Hilary Prentice*	(1)
Mr Robert Pollock	(1)		

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

* elected September 2013 in place of the late Mr Ben Bradish

INTRODUCTION

The Representative Church Body

The report of the Representative Church Body (RCB) to General Synod is intended to outline for General Synod the delivery by the RCB of its trustee responsibility for the Church of Ireland, and to give a flavour of how this has been achieved in the previous twelve month period and the issues arising of most relevance to the wider Church.

The RCB was established in 1870 to provide a central trustee for the Church at the time of the disestablishment of the Church of Ireland. It was established by charter as an incorporated trust, to enable the material property of the Church to be managed and sustained for the general benefit of the Church, under the guidance of an incorporated body of the bishops and Church members elected by the dioceses for that purpose, responsible to General Synod.

Trustee responsibilities

The maintenance of the trustee responsibility for properties and financial trusts is the critical function of the RCB. This function of the RCB supports consistency and best practice in the management of material assets and protects parishes and Select Vestries from undue exposure to risk in the performance of their parochial role, particularly in the current environment where the governance of charities is a prime governmental and public concern. It is reassuring that there is already evidence that some dioceses and parishes are moving to vest locally held property in the central body, and this is the recommended course for Church of Ireland trusts.

The RCB has embarked on a major project to establish a computerised property database. It is planned that this will be introduced over the next couple of years and that, as part of the project, the existing database of information will be tested for completeness and accuracy, involving dioceses and parishes in the process. The last time that such an all-embracing task was undertaken on the property front was in 1941, and the information supplied by parishes and dioceses then has been held and updated since. The first elements of the project will be the selection of a software partner and the transfer of existing data to the new electronic database.

RCB Unit Trusts – NI and RI

At 31 December 2013 the value of the funds held in trust for dioceses, parishes and other Church trusts amounted to just under €214m, an increase of €12.5m in the year. During the year income generated by the Unit Trusts totalled €7.9m and all of this is paid to the beneficial owners of the funds. The RCB periodically confirms with the beneficial owners that the funds have been applied according to the terms of trust.

The investments in the RCB Unit Trusts are managed by an in-house team, within parameters set by the RCB Investment Committee. The objective of the investment strategy for the funds under management is to maintain and if possible grow their value while providing a stable, sustainable and competitive distribution. For the period since inception to date the value of a unit in each of the Trusts has comfortably outstripped inflation and the annual income distribution has outperformed comparable interest rates by a considerable margin.

General Funds

General Funds are held by the RCB for the benefit of the whole Church and specifically to support the ministry of the Church within their terms of trust as may be defined by General Synod.

General Funds Employed have grown from a value of €146m at year end 2009, to €161m at year end 2013. Over the same period, they have provided the great bulk of the support for €16m of allocations to support Church activities, while maintaining operations at a cost of €10m in the four year period, and capital transfers of €20m have been made to the Clergy Pensions Fund.

The contribution of the legacy of General Funds to the life of the Church cannot be overstated, and in recent years the performance and resilience of the Funds has been highly satisfactory. The RCB has determined that, over the long term, an average total return of 4% per annum on General Funds is achievable. To enable proper future provision the withdrawal target is set at 3.5% of fund value. To sustain the benefit of General Funds for future generations it is vital that the withdrawal level, which is currently higher than the long term target of 3.5%, is managed over the medium term back to the sustainable withdrawal target.

Other activities

In addition to its property and financial asset trustee responsibilities, the RCB provides a central administrative function for the Church consisting, amongst other things, of support for General Synod and its committees, clergy pensions and stipend administration, the collection and disbursement of Gift Aid for many Northern Ireland parishes, the provision of the RCB Library and associated services and legal support to and for the Church at the centre, and as required at parish level.

In 2013 the RCB undertook responsibility for the payment and subsequent collection from parishes of Local Property Tax chargeable on vested properties in the Republic of Ireland. This was a substantial piece of work and could not have been achieved successfully without an impressive level of cooperation from dioceses and parishes.

Clergy pensions

2013 was a year of change for the provision of pension benefits for clergy. The long-standing and highly valued defined benefit scheme, the Clergy Pensions Fund, was closed to new members and to future accruals of service, and defined contribution pension arrangements were put in place for future service. The detail of this is covered elsewhere in the Book of Reports, and it involved a great deal of input by members of the RCB and staff. Most of the complex issues have been resolved and work will continue to ensure that the new arrangements are clear and equitable.

The greatest impact has been on serving members of the clergy and the RCB acknowledges the degree of acceptance amongst the clergy of the need for the changes which were proposed to General Synod in 2013, and continues to regard proper pension provision for stipendiary clergy as being a critical responsibility for the Church and its people.

These changes to clergy pensions should make future needs more predictable for dioceses and parishes.

Acknowledgements

The membership of the RCB and its committees comprises clergy and lay volunteers who give greatly of their time and expertise and without whom the work of the RCB could not be achieved.

They are supported by the staff in Church House, Dublin and Belfast, and in the RCB Library, and their dedication is much valued by the Representative Body.

Obituaries

It is with great regret that the deaths are reported of Ven Philip Patterson, a member of the RCB since 2005, and Mr Ben Bradish, a member since 2007.

Reserve policy

The Representative Church Body's reserve policy is to set spending at a level to maintain funding to sustain the activities of the wider Church while preserving the capital base.

The annual budget commitment is set by reference to a five-year weighted average of the value of General Funds in order to smooth the effect of short-term volatility. The Representative Church Body has set the long-term spending policy as committing 3.5% of the five-year weighted average value of General Funds to support Church activities while preserving 0.5% of the value of General Funds for asset growth. The Allocations Equalisation Reserve will be accessed as required over the medium term to stabilise the movement towards a sustainable long-term withdrawal policy.

The investment policy is based on investing for overall portfolio growth and measuring the total portfolio return in both capital and income terms. This allows for a longer-term focus in investment decision making and for increased opportunity for exposure to real growth assets.

OPERATING AND FINANCIAL REVIEW 2013

The accounts of the Representative Church Body commence on page 57.

- **Commentary**

  A) The Statement of Financial Activities (SoFA) of the Representative Church Body is shown on page 68.

  The SoFA sets out for 2013 and for the prior year, the income, expenditure, investment gains and losses and capital additions and withdrawals of the financial activities and funds for which the Representative Church Body (RCB) is responsible. The accounts are formatted to show separately the income on General Funds and in respect of diocesan and other trusts, and how costs arise in respect of these and in support of wider Church activities.

RCB activities show the costs arising from the performance of central service, trustee and governance support roles of the staff of the RCB. In the General Funds column the performance of these funds is set out showing the disbursement of resources in the year, the movement and opening and closing value of the funds.

The activity shown in the Parochial, Diocesan and Other Trust Funds column shows the movement and opening and closing values, the income and expenditure relating to trusts, monies managed for the wider Church and the value of Gift Aid reclaimed for and repaid to parishes.

The full value of funds and the movements in funds in the year are shown on the SoFA and reflected in the Balance Sheet.

RCB activities

Resources expended

The expenditures for the year, summarised by function on the SoFA, are summarised by type of expenditure on page 78 (Note 5).

The cost of generating funds includes payroll costs of investment management, legal and accounting services (including those made available to the wider Church), external fund management costs and related allocated overheads. A decrease in 2013 of €166,000 against 2012 relates to a decrease in external fund management costs due to the transfer of bonds to the in-house management team in Quarter 4 of 2012 and a saving in custodian fees due to the consolidation of providers. There was an increased charge-out in legal fees relating to professional services for the wider Church year on year. These cost savings have been partly offset by additional payroll related costs as a result of timing in pension payments, an increase in actuarial costs due to changes in the staff pension scheme and support staff required relating to illness cover.

These payroll and pension related cost increases impact also on charitable and governance costs. As a result, costs of charitable activities and governance have increased by €48,000 and €33,000 respectively.

Charitable activities costs include payroll and related allocated overheads charged to trust and property management, communications, education and the RCB Library.

Governance costs include payroll and related allocated overhead costs incurred in supporting General Synod, central committee expenses and episcopal electoral expenses.

Other resources expended are costs relating to professional advice and pension payments for retired staff. Additional once-off actuarial and consultancy charges were incurred in 2013 relating to the closure to future accruals of the Clergy Pensions Fund defined benefit scheme and the introduction of the new Clergy Defined Contribution pension schemes (NI and RI).

The total of resources expended which are chargeable against General Funds has decreased year on year by €13,000 (-0.5%).

General Funds

(i) Outturn for the year

As shown on the Statement of Financial Activities, the total value of General Funds increased by €8.76m (5.7%) to €161.44m (2012: €152.68m) despite a net decrease in resources of €5.46m before gains and losses on invested assets. Both equity and bond markets continued to show strong performances in 2013. Withdrawals of €5.35m were utilised to support the solvency of the Clergy Pensions Fund defined benefit scheme (€5.00m) and the staff pension fund (€0.35m). The actuarially calculated deficit in the staff pension scheme, under accounting standard FRS17 at 31 December 2013 showed a decrease in the year of €0.57m.

(ii) Net incoming resources, at €3.45m showed a reduction of €0.37m, 10% down on 2012.

Investment income of €5.54m has fallen by €0.16m from 2012 levels (2012: €5.70m). The transfer from General Funds to the clergy and staff pension funds reduced the earning capacity of General Funds during the year.

(iii) Allocations and distributions

Allocations expended in the year are the values of the funds reserved in the previous year for 2013 allocations, less amounts unexpended.

Parish, diocesan and other trust funds

Investment income arises in the RB General Unit Trusts. All incoming resources are disbursed to parishes, dioceses and trusts according to the terms under which the funds are held.

B) Balance Sheets

The net assets shown in the Balance Sheets (page 70) are shown as belonging to three separate fund groupings.

- RCB activities include those assets and liabilities specifically utilised in and attributable to the performance of the services and duties carried out by central Church staff. The net current balance on these is offset against General Funds.

- General Funds are those available to be utilised for the purposes of meeting the operating expenditure of the Representative Body and funding for Allocations. Total fund values increased by €8.76m (5.7%), as a result of net gains on investment values of €13.95m, partly offset by pensions transfers and adjustments and a deficit on the current account.

- Parish, Diocesan and Other Trust funds generate the investments and deposit income shown in the SoFA; this belongs to parishes, dioceses and sundry Church of Ireland trusts. The total funds have increased by €14.49m (6.2%) to €249.47m (2012: €234.98m). Unrealised gains of €11.05m on investment revaluations and realised gains of €0.08m on sale of investments were partly offset by €0.91m due to weaker sterling values at year end. Net capital inflows amounted to €4.28m (2012: €2.46m outflow).

- **Allocations** (page 68)

  Net allocations expended in the year amount to €3.91m (2012: €4.49m).

  Allocations for 2014 are provided in 2013 as a reserve to be drawn down in the following year. The amount provided as a reserve for 2014 is €3.87m and is gross of subventions. This reserve will be available to support the episcopacy, clergy pensions, ministerial training and the functions of the General Synod and the Standing Committee.

  The net cost of allocations has been relieved by subventions from the Stipends Fund of €62,045 (2012: €143,000) and from the Central Church Fund of €50,000 (2012: €50,000). These have been offset respectively against the costs of training for the ordained ministry and Clergy Pensions Fund. The Representative Body is most grateful to the Committees concerned for this valuable support.

  The Allocations Committee is grateful for the very positive response to the request for spending restraint in the current financial environment.

- **Reserves** (page 77)

  A reserve is created annually to fund allocations which are budgeted to support wider Church activities in the following year. At year end 2013 this stood at €3.87m (2012: €4.34m).

  Over the years a separate Allocations Equalisation Reserve has been maintained to smooth the capacity of income annually to meet the allocations need. The RCB is in process of moving to a more sustainable Total Return basis for managing withdrawals from General Funds and a long-term average withdrawal target of 3.5% of fund value has been established. The Allocations Equalisation Reserve is being applied over the medium term to support as necessary the transition to this more sustainable withdrawal policy. At 31 December 2013 the Allocations Equalisation Reserve stood at €4.38m (2012: €4.33m).

  Staff pension scheme

  At the year end the actuaries to the staff pension scheme assess the comparative solvency of the scheme on a discontinuance basis and the results are set out in detail in Note 12. This shows that at 31 December 2013, while the scheme remained in deficit, the amount of the deficit decreased by €0.57m to €4.5m. This deficit is shown as a long-term liability in the Balance Sheet. Amongst the assumptions which have the most significant impact on the results is the discount rate. The discount rate is based on the market yield at the valuation date of high quality corporate bonds; for FRS17 the 2013 discount rate was set at 3.8% against the 2012 rate of 3.9%.

The staff pension scheme was closed to new entrants at 1 January 2007.

- **Currency translation rates**

  Year-end sterling balances have been translated into euro a rate of €1 = £0.8302 or £1 = €1.204 (2012: €1 = £0.8161 or £1 = €1.225).

ALLOCATIONS PROVIDED FOR 2014

- Gross allocations before subventions amounts to €3.87m and this is shown in reserves in Note 4. Total subventions of €112,045, from the Stipends Fund of €62,045 and the Central Church Fund of €50,000, provide for a net allocation spend in 2014 of €3.76m.

- The allocations listed below represent net amounts to be allocated after taking into account income from endowment funds, the episcopal levy and the child protection levy paid by all parishes/dioceses and any other sources of funding which offset the costs of financing ministry and other central commitments.

2014 ALLOCATIONS

	2014	***2013***	**2014**	***2013***
GROUP A	**€**	***€***	**£**	***£***
Episcopal Stipends and Expenses	1,121,834	*1,208,956*	615,659	*675,541*
less Episcopal Levy	(461,358)	*(423,762)*	(447,306)	*(396,362)*
	660,476	*785,194*	168,353	*279,179*
Deans of Residences/University Chaplains	90,323	*89,623*	125,307	*121,895*
Queen's University, Belfast, Bursar	-	-	14,631	*14,518*
C of I in Queen's University, Belfast	-	-	2,000	*2,000*
C of I in Trinity College, Dublin	3,000	*3,000*	-	-
Clerical Relief - Children's Allowances	33,000	*37,000*	33,000	*35,000*
- Discretionary Grants	4,000	*4,000*	3,000	*3,000*
Stipends Related Costs	15,692	*15,720*	-	-
St Patrick's Cathedral, Dublin	1,000	*1,000*	-	-
	807,491	*935,537*	346,291	*455,592*
GROUP B				
Clergy Pensions Fund	99,776	*205,254*	95,150	*199,856*
Central Church Fund				
- Augment Clergy Pension	(50,000)	*(50,000)*	-	-
Supplemental Fund Benefits				
- Retired Clergy, Surviving Spouses	6,481	*21,477*	770	*770*
Discretionary Grants				
- Retired Clergy	-	-	13,000	*13,000*
- Surviving Spouses	-	-	8,500	*8,500*
	56,257	*176,731*	117,420	*222,126*
GROUP C				
Training of Ordinands	629,508	*602,838*	-	-
Theological Institute	786,500	*765,000*	-	-
Ministry formation project	5,000	*5,000*	-	-
Stipends Fund	(50,000)	*(100,000)*	(10,000)	*(35,000)*
Bishops' Selection Conference	25,000	*25,000*	-	-
	1,396,008	*1,297,838*	(10,000)	*(35,000)*
GROUP D				
General Synod/Standing Committee	364,897	*331,837*	199,039	*219,611*
Royalties Fund	-	*(37,500)*	-	-
Board of Education	35,251	*36,000*	87,159	*83,271*
Church of Ireland Youth Department	-	-	145,000	*145,000*
Child Protection Officers	11,000	*11,000*	12,300	*12,300*
	411,148	*341,337*	443,498	*460,182*
GROUP E				
RCB Library	5,000	*5,000*	-	-
Regular Sunday Services in Irish	500	*500*	-	-
	5,500	*5,500*	-	-
	2,676,404	*2,756,943*	897,209	*1,102,900*

Summary of allocations expenditure provided for 2014, net of subventions from the Stipends and Royalties Funds:

	2014		2013	
	€	**%**	**€**	**%**
A - Maintenance of the Stipendiary Ministry	1,224,608	32.6	1,493,792	36.4
B - Pension related costs	197,693	5.3	448,910	10.9
C - Training of Ordinands	1,383,963	36.8	1,254,951	30.6
D - General Synod Activities	945,354	25.2	905,216	22.0
E - Miscellaneous	5,500	0.1	5,500	0.1
	3,757,118		4,108,369	

- **Commentary**

Group A - *Maintenance of the Stipendiary Ministry - €1,224,608*

The funding of episcopal stipends and expenses is the major part of this allocations cost, at €0.86m (2013: €1.12m) being 71% of the total (2013: 75%). The figure includes office costs, administration costs, travel expenses, financing costs for See Houses, as well as stipends, pension funding and employer's state contributions.

The dioceses contribute towards the costs of the episcopacy through a levy which is based on the number of cures and a percentage of Minimum Approved Stipend per cure. The levy has been increased to 6.6% for the year 2014 from 6.0% in 2013 of Minimum Approved Stipend per cure. The episcopal levy is budgeted to realise in 2014 the equivalent of €1.0m (2013: €0.90) which is 53.8% of the total cost of funding the episcopacy (2013: 44.53%). For 2014 the diocesan levy is £1,768 and €2,390 per cure (2013: £1,560 and €2,173). The medium term target is a sharing of episcopal costs 50% diocese and 50% central Church.

The total cost of the episcopacy is budgeted at €1.86m (2013: €2.02m).

In 2013 the actual cost of the episcopacy was reduced from the budgeted level by an underspend mainly relating to episcopal vacancies amounting to €0.25m which is included in the figure for unexpended allocations on the SoFA.

A more detailed breakdown of episcopal costs is shown on page 30.

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

Group B - *Pension related costs - €197,693*

Total support from RCB funds to the Clergy Pensions Fund in 2013 amounts to €5,214,387, of which €5,000,000 is a transfer of capital direct from General Funds and the balance is provided through Allocations. The net costs are after including a subvention from the Central Church Fund to augment the Clergy Pensions Fund. The annual contribution from Allocations is reduced to reflect the increase in earning power transferred to the Clergy Pensions Fund accruing from four capital transfers in 2010, 2011, 2012 and 2013, totalling €20,000,000. Also included under this heading are amounts to support discretionary grants to retired clergy and spouses, to enable the maintenance of a minimum level of income.

Group C - ***Training of Ordinands - €1,383,963***

The budget for the Training of Ordinands funds the upkeep of the Church of Ireland Theological Institute, grants for students, the provision of student accommodation, tuition fees and the cost of the selection process for entering training for the ministry.

The total cost in 2014 of €1.38m shows an increase of €128,283 on 2013 figures. This increase is due to an increase in student numbers, an increase in running costs of the Theological Institute and a reduction in subvention from the Stipends Fund. This continuing support from the Stipends Fund is most welcome.

The cost of the running the Institute is budgeted for the academic year 2014/2015 and shows an expected budget of €786,500 (2013/2014: €765,000).

The Training of Ordinands provision shows the cost relating to grants for students, their accommodation costs and the fees paid in respect of Trinity College Dublin and outside lecturers. Married students in 2013/14 receive a personal grant of €7,700 (2012/2013: €7,700) and the single student's grant is €6,000 (2012/2013: €6,000). There are also grant allowances made for dependent children. Accommodation grants and travel allowances are made available for students in their final intern year. The total cost for the year is budgeted at €629,508 (2013: €602,838).

In 2013/14 there are 23 ordinands undergoing full-time training and 16 undertaking the part-time course.

Extracts from the accounts of the Church of Ireland Theological Institute for the year ended 30 June 2013 are included as Appendix A (page 91).

Group D - ***General Synod Activities - €945,354***

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

The spending budgeted for these areas shows an increase of €49,714 from the figure for Allocations in 2013. For some time the Royalties Fund has been able to provide support to Allocations, in 2012 amounting to €37,500. While this support is not available for 2014 Allocations, the Allocations Committee is most grateful for the Royalties Fund support over the years.

The cost of the Board of Education in the Republic of Ireland is supported by a grant from the Department of Education & Skills for which the Representative Body on behalf of the Church of Ireland wishes to record its gratitude.

Group E - *Miscellaneous - €5,500*

A small allocation of €5,000 to allow for a continuation of conservation work is budgeted with respect to the RCB Library. An amount of €500 has been provided annually for some years in support of the maintenance of the Irish language as part of regular Church of Ireland worship.

INVESTMENTS AND MARKETS

- Valuations of the various portfolios and comparative figures at 31 December 2013 were as follows:

Portfolio	**Valuations (millions)**	
	2013	*2012*
General Funds/Reserves		
General Funds	**€151.05**	*€142.53*
Allocations Reserve	**€3.21**	*€3.36*
	€154.26 [1]	*€145.89*
Cash	**€1.17**	*€0.97*
	€155.43	*€146.86*
Specific Trusts		
RB General Unit Trust (RI)	**€163.32**	*€154.57*
RB General Unit Trust (NI)	**£41.46**	*£37.66*

Portfolio	**Total returns (weighted)**			
	2013	Benchmark	*2012*	*Benchmark*
General Funds/Reserves				
General Funds	**14.2%**	**14.0%**	*20.0%*	*15.6%*[3]
Allocations Reserve	**4.7%**	**2.2%**	*18.3%*	*2.6%*
Specific Trusts				
RB General Unit Trust (RI)	**9.9%**	**15.3%**	*22.3%*	*16.5%*
RB General Unit Trust (NI)	**10.7%**	**13.0%**	*17.0%*	*9.4%*

[1] The valuation of General Funds of €154.26m in 2013 is net of a financial instrument of €3.76m (see Note 2(b) to the financial statements). The balance sheet shows the gross invested fund assets of €158.02m, with the financial instrument included in current liabilities.

Total return performances of relevant equity and bond market indices (local currency terms) in 2013 were:

FTSE Europe 100	18.9%	Irish Govt Bond Index	11.9%
US (S&P Composite)	32.4%	UK (FTSE 100)	18.8%
Euro Broad Bond Index	2.3%	Stg Broad Bond Index	-2.6%

Three- and five-year fund performance figures are included as Appendix B (page 93).

- **Economic Backdrop**

  The Eurozone crisis eased considerably in 2013 due to a number of factors such as ECB support, general adherence to budgetary targets and genuine structural reform in some peripheral countries, notably Spain. This enabled a stabilisation in growth in the area as a whole. In the wider global economy US growth was relatively modest given the extreme level of monetary stimulus, while emerging economies continued to decelerate as the after-effects of previous breakneck expansions were felt. Both the UK and Ireland followed the pattern of the US recovery with markedly better real estate markets and a welcome turn-around in unemployment rates. Inflation in the Western economies eased to very low levels, thus facilitating very accommodative monetary policy but unhelpful in reducing either sovereign or household debt burdens.

- **Equity Markets**

  Variation in returns across geographic regions was notable in 2013 with low growth aggressive monetary stimulus countries out-stripping higher growth emerging nations. For example Japan (+54% in local currency, +21% in euro) and the US (+32% in Dollars, +26.5% in euro) versus China and Brazil -4% and -15% in local terms respectively, -5% and -30% in euro. European markets, historically closely correlated to the US, delivered a total return of 18.5%. The policy of QE (asset purchases funded by central banks) enabled stock prices to inflate in the key US market where underlying earnings growth was in the vicinity of 10%. Despite an announced ‘tapering’ of the degree of QE in December, markets ended the year in high spirits, as the long awaited ‘self-sustaining’ recovery appeared on track.

- **Bond Markets**

  Core bond yields in Europe and the US increased sharply from very low levels during 2013. This was initially due to the diminution of the Euro crisis and the US debt ceiling stalemate, but more latterly by a perceived turning point in global monetary policy, away from ultra-accommodative levels. In contrast, the Eurozone periphery saw yields fall as funding, and hence debt sustainability, became less problematic. The yield on the benchmark German bund remained below 2%, a full 1% less than its US equivalent, reflecting a market view that Europe exhibits quite similar characteristics to Japan, where 10 year yields ultimately fell below 0.5% as the economy stagnated. Irish bonds again performed strongly as reward for continued budgetary consolidation.

- **Changes to Portfolios in 2013**

  Having had little to no exposure to commercial property, a position was established (across all funds) in IPUT (Irish Property Unit Trust). This investment offers an attractive yield in a top quality commercial real estate portfolio, a 40 year track record and low expense ratio.

  During the second half of 2013 a policy of 'Portfolio Protection' was gradually rolled out with the objective of protecting capital during periods of market weakness. This reflects a concern that long term market valuations are much stretched. The short term impact of this policy is that should equity markets advance strongly, RCB funds will lag their stated benchmarks to some extent.

- **General Funds Performance 2013**

  A total return of 14.2% (benchmark 14.0 %) was a very creditable out-turn in the context of a conservative risk stance – the average level of equity exposure was 55% versus a benchmark of 70%. In terms of individual portfolios, equities returned 20.8%, marginally ahead of benchmark, while fixed income returned 6.9% (benchmark 3.1%). Despite the strong total return, the growth in General Funds in the year was less than 6% as a result of high withdrawals. This highlights the need for a prudent investment stance, to protect capital during periods of lessened exuberance.

- **Outlook for 2014**

  Economic growth prospects have improved in Europe from a very depressed level, particularly in those countries that have tackled public sector costs. However, this growth will likely only produce modest improvements in the labour market as the flow of credit remains constrained by the less than robust banking system. In the US expectations of an acceleration and broadening in the recovery may prove challenging; lack of improvement in real incomes of the middle classes is a clear impediment to a consumer driven economy. Despite large expansions in the monetary base, inflation looks set to remain at very low levels, reflecting the inability of labour to achieve wage growth. For equity markets, the planned wind-down or tapering of QE is a negative factor, balanced by promises of delayed rate rises (forward guidance). As mentioned above the prospects for robust growth are not bright, although this has not been an impediment to market gains thus far. The degree of income and wealth disparity is not only damaging to an optimal economic outcome, but dangerous from a political stability standpoint; this geo-political risk is prevalent in Europe, Asia and South America, and has the potential to flare up and affect markets. By dint of its recent performance (over 200% in less than 5 years) the US is now very over-valued. Europe is less over-valued but suffers from structural weaknesses that deter capital. On a more positive note (for equity investors), labour and other input costs are very subdued and large multi-nationals enjoy low tax rates and limited competition.

In fixed income markets it is expected that the zero interest rate environment will persist. This anchors near term maturity bonds at very low rates. To achieve an acceptable return that does not erode capital therefore requires a degree of term or credit risk. European periphery government bonds have proved a good investment in this regard and some further room for modest convergence still exists. However, core yields of 0.7% and 1.7% (German government 5 and 10 years respectively) are vulnerable to capital loss.

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

  In 2013 the 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 2013 the Investment Committee reported to the Representative Body that it was satisfied that the investment managers are sensitive to the Church's concerns and expectations with regard to ethical and socially responsible investment. The report is included as Appendix C and is unchanged from the previous year (page 94).

- **Income**

  Withdrawals from General Funds for operational funding requirements and allocations are determined by a total return process that seeks to ensure that such withdrawals are sustainable over the long term and do not erode the capital base of the Funds.

- **Unit Trusts**

  Extracts from the financial statements of the two RB General Unit Trusts for the year ended 30 June 2013 are included as Appendix D (page 96).

  Distribution rates for the RB General Unit Trust (RI) and the RB General Unit Trust (NI) were unchanged on the previous year; however, the dividend equalisation reserve was increased following a drawdown in the prior year.

- **Asset management**

  The RCB in 2012 commenced a restructuring of the General Funds portfolio to place a stronger emphasis on long-term sustainability and risk management. This investment policy is employed in coordination with a fund withdrawal strategy which, over the long term, is constructed to allow withdrawals of 3.5% of fund value. This is deemed to be 0.5% less than the long-term total return achievable on the Fund, thus allowing for some capital growth. A copy of the Statement of Investment Policy Principles (SIPP) for in-house managed funds is included as Appendix E (page 111).

The equity portfolio of General Funds is managed from London by Lazard Asset Management.

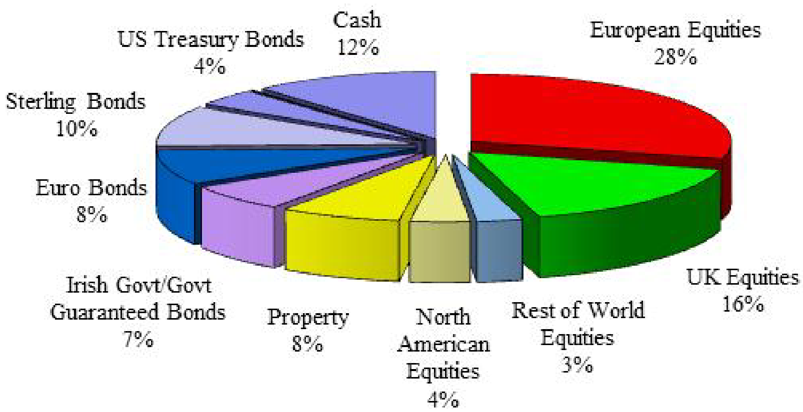
The RB General Unit Trusts portfolios, and a portion of the General Funds, are managed by the staff of the Representative Body's investment department, reporting to the Investment Committee.

The investment of the Clergy Pensions Fund is delegated by the Trustee to the RCB Investment Committee, in accordance with the Trustee's Statement of Investment Policy Principles. Information relating to the investments for the Clergy Pensions Fund may be found in the Financial Statements which form part of the report of the Church of Ireland Clergy Pensions Trustee Limited (Appendix G to this report, page 118). A copy of the Statement of Investment Policy Principles (SIPP) for the Clergy Pensions Fund is included as Annex 5 to that report.

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

TOTAL GENERAL FUNDS PORTFOLIO

Geographical split of investments at 31 December 2013



CLERGY REMUNERATION AND BENEFITS

- **Minimum Approved Stipends (MAS) 2014**

  Legislation passed by the General Synod in 2011 amending Section 51 (1) of Chapter IV has enabled the Standing Committee to determine levels of MAS annually on behalf of the General Synod. As a consequence the timing of the annual MAS review process now allows for up-to-date economic data, conditions, earnings trends and indices at 30 June to be taken into account when levels of MAS for the following year are being determined in September.

  In considering MAS levels the Stipends Committee takes into account movements in inflation and general earnings levels and the ability of parishes in both jurisdictions to pay.

  Republic of Ireland – Nationally published average earnings had remained largely flat, with negative adjustments to earnings in some areas of the public service. Average inflation in the twelve month period to 30 June 2013 was 1.1% as against 2.3% for the previous twelve month period, while the five year cumulative Consumer Price Index (CPI) inflation stood at 0.82%.

  Northern Ireland – Inflation has remained somewhat stable in the twelve month period to 30 June 2013 with CPI at 2.9% (30 June 2012: 2.4%), although the average twelve monthly inflationary figure at 2.6% (2012: 3.9%) indicates a downward inflationary trend. Annual earnings trends in the UK are positive with the average five year cumulative earnings increase to 30 June 2013 estimated at 7.4%. The five year cumulative Consumer Price Index (CPI) for the same period is 16.17%.

  The Stipends Committee, in arriving at the recommendation of the Republic of Ireland MAS for 2014, considered the ongoing subdued trend in earnings and minimal movement in inflation, and it was concluded that no increase in the MAS be recommended for 2014.

  With positive signs of increases in UK earnings and cognisance taken of the cumulative five year CPI, in order to avoid a lag in the Northern Ireland MAS over earning comparators, it was agreed to recommend a 3% increase in the Northern Ireland MAS for 2014.

  The Standing Committee agreed the Representative Body's recommendation that the rate of Minimum Approved Stipends for 2014 in the case of the Republic of Ireland remain unchanged from 2013 and be increased by 3% in Northern Ireland.. Consequently, levels of Minimum Approved Stipend for 2014 are:

	2014	2013
Northern Ireland	£26,788	£26,008
Republic of Ireland	€36,219	€36,219

- **Episcopal costs**

The breakdown of total episcopal costs is summarised as follows:

	Republic of Ireland		Northern Ireland	
	€	€	£	£
	2014	2013	2014	2013
(1) Stipends together with state insurance costs	491,340	493,517	278,724	274,526
(2) Pension costs	99,874	222,172	54,942	144,631
(3) Offices of the Sees expenses	325,570	327,998	176,891	175,074
(4) See Houses and other costs	350,575	346,488	163,493	138,112
Totals (gross)	**1,267,359**	**1,390,175**	**674,050**	**732,343**
(5) Less endowment income	(172,615)	(208,310)	(35,258)	(35,258)
Totals (net of income)	**1,094,744**	**1,181,865**	**638,793**	**697,085**

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

Notes relating to the figures above:

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

Stipends are multiples of Minimum Approved Stipends as follows:

Archbishop of Armagh	2.45
Archbishop of Dublin	2.25
All Bishops	1.75

(2) Contributions towards episcopal pensions.

(3) Secretarial and office services and allowances relating to expenses of travel and hospitality.
(ie costs that relate to the running of the office of the See)

(4) Heating, grounds and house maintenance, insurance and service charges, secretary to the House of Bishops.
(ie property maintenance and other costs that are shared across all the Episcopacies)

(5) Income from investments and rent of See House lands.

- **Locomotory Allowances 2014**

The approved locomotory allowances for 2014 are based on public service rates for Northern Ireland applicable as at 1 April 2010 and Revenue approved civil service rates for the Republic of Ireland as at 1 July 2008, as follows:

		Northern Ireland
Per mile:	first 8,500 miles	65.00p
	over 8,500 miles	16.40p

		Republic of Ireland
Per km:	first 6,437 km	78.76c
	over 6,437 km	37.94c

Locomotory allowances have historically been benchmarked against civil service rates of allowances in the Republic of Ireland and public service rates in Northern Ireland.

As reported to the General Synod in 2010, the Government in the Republic of Ireland significantly reduced the civil service rates of allowances in 2009. However, in view of the extent to which the locomotory allowance forms part of the total remuneration package for clergy, it was agreed in 2009 that the rate should remain at the rate applicable prior to the reduction in civil service rates. Each year since 2010 it has been agreed to maintain this same locomotory allowance rate for the preceding year despite civil service rates remaining at their reduced level.

The Northern Ireland public service rates applicable from 1 April 2010 continue to remain in place as the National Employers for Local Government have not published revised rates. In view of the ongoing freeze in rates it was agreed by the Representative Body that the rates applicable from 1 January 2014 should remain the same as those adopted for 2013.

- **Children's Allowances 2013/2014**

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

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

	Academic year starting 1 September 2013	
	Republic of Ireland	Northern Ireland
Over 11 attending secondary school	€600	£100
Third level students (up to age 23)	€300	£400
Eligible orphans	€600	£400

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

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

- **Clergy Car Loans**

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

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

This ratio of maximum loan to minimum stipend is designed to maintain a reasonable relationship between borrowing capacity and ability to pay. At 31 December 2013 there were 69 loans outstanding with a total value of €538,911.

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

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

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

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

CLERGY PENSIONS

As from 1 June 2013 there are three separate schemes providing pension benefits for Church of Ireland clergy.

The Clergy Pensions Fund (CPF) holds assets to fund the pension benefits earned by clergy up to 31 May 2013. For service from 1 June 2013 onwards, the Church of Ireland Clergy Defined Contribution Scheme (Northern Ireland) and the Church of Ireland Clergy Defined Contribution Scheme (Republic of Ireland) were established during 2013.

The Representative Body acts as Sponsor of all three schemes.

- **Changes to clergy pension arrangements during 2013**

  Proposals were brought to General Synod in 2013 which sought to secure the defined pension benefits of serving clergy, pensioners and deferred beneficiaries of the CPF. Regulatory and demographic changes, together with an historically low interest rate environment, had combined to produce a situation whereby growth in scheme liabilities was outstripping all reasonable attempts to fund the corresponding assets, and was forecast to continue so to do.

  The proposals, which were resoundingly supported by General Synod, constituted a funding plan designed to eliminate the deficit in the CPF over a ten-year period, while underpinning benefits earned to date. In summary, the proposals involved closing the CPF to new members and to future accruals of service from 31 May 2013 and gradually increasing the Normal Retirement Age to 68 years. Over the funding period, there would be no discretionary increases to pensions in payment or Pensionable Stipend levels unless the Scheme Actuary were to confirm that an increase would not impede progress towards solvency. A summary of the proposals as approved by the General Synod 2013 is set out in Appendix F (page 117).

  Following the General Synod's approval of the proposals, the Scheme Actuary submitted a Funding Proposal to *An Bord Pinsean*, the pensions regulator, on behalf of the Trustee. The Funding Proposal was accepted by the regulator as being robust and likely to deliver the planned outcome of a solvent CPF by 2023.

  The funding of the CPF and the elimination of the deficit in the scheme are to be effected by the completion of a series of capital transfers by the RCB amounting to €25m, together with a levy on dioceses, calculated on the basis of numbers of cures and recognised offices.

  The CPF duly closed to new members and to future accruals of service on 31 May 2013 and two new schemes – the Church of Ireland Clergy Defined Contribution Scheme (Northern Ireland) and the Church of Ireland Clergy Defined Contribution Scheme (Republic of Ireland) – were established to provide pension benefits related to service from 1 June 2013 onwards. All existing members of the CPF were automatically enrolled in the scheme for the jurisdiction in which they were serving on 1 June 2013.

Both new schemes are registered as approved occupational schemes in the relevant tax jurisdiction, both are administered by Zurich Assurance Ltd, and fund management services are overseen by the pensions consultancy Mercer International. Independent professional trustees have been appointed for each scheme: Irish Pensions Trust Ltd in the Republic of Ireland and Trustee Solutions Ltd in Northern Ireland. Interim reports from the Trustees are set out on pages 36-37.

These new defined contribution schemes provide a default investment option whereby each member's funds are managed assuming a standard approach to risk for their particular stage of life and service. Members' funds were transferred automatically to this default option at 1 December 2013 from a cash fund if the member had not by that time decided to select a different investment option. Members may change their investment option at any time.

The schemes are financed by members' contributions, all of which are paid into the new defined contribution schemes, and parish/diocesan contributions, the total together amounting to 19% of Minimum Approved Stipend (MAS), to include death-in-service cover.

The funds contributed for pension benefit, amounting to 17% of MAS, are immediately vested for the benefit of the individual member.

Full details of the operation of the schemes are set out in members' handbooks, and the schemes were introduced to serving clergy in a series of seven seminars in September 2013.

Further information is available from:

The Pensions Administration Manager
Church of Ireland House
Church Avenue
Rathmines
Dublin 6
Email pensions@rcbdub.org
Tel +353-(0)1-4125630

- **The Clergy Pensions Fund (CPF)**

Trusteeship

In accordance with Chapter XIV of the *Constitution of the Church of Ireland* the Church of Ireland Clergy Pensions Trustee Limited ("the Trustee") is the corporate Trustee of the Fund.

The Representative Body is the sole member of the Trustee Company.

The annual report of the Church of Ireland Clergy Pensions Trustee Limited is included in Appendix G to this report (page 118).

Pensionable Stipend

In accordance with Section 2 of Chapter XIV of the *Constitution of the Church of Ireland* the Representative Body in conjunction with the Church of Ireland Clergy Pensions Trustee Limited made a recommendation on Pensionable Stipend levels for 2014 to the Standing Committee.

The recommended levels for 2014 were unchanged from 2013 levels at £25,498 per annum in Northern Ireland and €36,219 per annum in the Republic of Ireland.

Discretionary increases to pensions in payment

The Representative Body during 2013 approved a recommendation from the Church of Ireland Clergy Pensions Trustee Limited, made on the advice of the Actuary, that due to the financial position of the Clergy Pensions Fund, no discretionary increases be applied to pensions in payment for the year 2014.

Further details may be found in the Report of the Trustee (page 118).

Supplemental Fund and other funds

The Church of Ireland Pensions Board administers the Supplemental Fund and certain other funds on behalf of the Representative Body.

A report on the administration of these funds during the year ended 31 December 2013 is attached as Appendix H to this report (page 170).

Contributions from central funds

Capital contributions of €5m have been made from central funds to the Clergy Pensions Fund (the CPF) in each of the four years 2010 to 2013. The purpose of these, as originally advised to Synod in 2010, is to boost the value of the assets of the CPF with immediate impact on the plan deficit, and at the same time to provide a larger capital fund to enhance return. It is expected that a further capital transfer of €5m will be made from central funds to the CPF in 2014.

Regular contributions to the CPF by the RCB are calculated at a percentage rate of Pensionable Stipend in accordance with Section 35 of Chapter XIV of the *Constitution of the Church of Ireland*, offset by the income generated in the CPF by the capital transfers. A contribution of €446,000 was made in 2013 and a contribution of €214,400 is planned for 2014.

Additionally, contributions under Section 38 of Chapter XIV are made from central funds.

- **The Church of Ireland Clergy Defined Contribution Scheme (NI) – Report of the Scheme Trustee**

The Scheme is a trust based defined contribution scheme and is governed by the Definitive Deed and Rules of the Scheme dated 17 June 2013 (the "Deed"). By the same Deed, Trustee Solutions Limited ("TSL") was appointed to act as professional independent trustee by the Representative Church Body.

Our Role

TSL is a professional trustee company which is a wholly owned subsidiary of Pinsent Masons LLP. TSL is appointed to act for a wide range of pension schemes and has many years' experience of managing occupational pension schemes. We pride ourselves in controlling risk in a cost-effective way, which ensures that pension schemes maintain a high level of governance which is constantly reviewed.

Our role as Trustee of the Scheme is to offer a level of independence between the Scheme administrator and the Representative Church Body in the running of the Scheme. The Scheme is arranged with Zurich Assurance Limited. We work closely with Zurich together with the Representative Church Body and Mercer Limited, as our Investment adviser, to ensure the Scheme is run in accordance with legislation and the requirements of The Pensions Regulator. We also act as a point of contact for members should they have any concerns as to the running of the Scheme.

Our Team

The appointed representative for TSL is Ian Gordon, who is a Partner based in our Glasgow office. Ian will be supported by John Kempster (Manager of Trustee Solutions Limited) and Nichola Edwards (Trustee Support). John and Nichola are based in our Birmingham office. The team will liaise closely with Peter Connor (Pensions Administration Manager for The Representative Church Body).

Trustee Solutions Limited
February 2014

- **The Church of Ireland Clergy Defined Contribution Scheme (RI) – Report of the Scheme Trustee**

Scheme Overview

The Scheme is Defined Contribution in nature and commenced on 1 June 2013. The renewal date is 1 January.

Irish Pensions Trust Limited ("IPT") is Trustee of the Scheme.

IPT is a wholly owned subsidiary of Marsh & McLennan (MMC), a quoted US multinational. IPT has been heavily involved in pensions in Ireland for over 60 years and refocused as a specialist professional trusteeship company in 1999. IPT provides professional trusteeship to over 400 schemes in Ireland, with over €10 billion in scheme assets.

The primary role of IPT is to ensure that the Scheme operates efficiently and the trust is executed correctly, and at all times to act in the best interests of the beneficiaries.

The Registered Administrator of the Scheme is Zurich Life. Mercer Limited is the consultant and investment advisor.

The Revenue Approval Number is SF 3946 and the Pensions Board reference number is PB 269291.

Patrick Foley, Irish Pensions Trust Limited
February 2014

PROPERTY AND TRUSTS

- **General**

The main issue for owners of residential property in the Republic of Ireland during 2013 was the introduction of the Local Property Tax, which is payable by the owners of residential property (including rental property) based on the market value of the property on 1 May 2013 and came into effect from 1 July 2013. Under the Finance (Local Property Tax) Act 2012 the legal owner of the property is liable to pay the tax and although the Representative Church Body holds the majority of its property in trust for the parishes, it is the legal owner and does not have exemption from paying the tax. The parish is responsible for having the market value of its residential property determined as on 1 May 2013 and the valuation forms the basis of the calculation of the Local Property Tax up to and including the year 2016. The Representative Church Body initially pays the tax to Revenue on behalf of the parishes and it is then collected from the parishes through the dioceses during the year.

The funding for the conservation of historic buildings and other heritage projects from government departments was severely curtailed in 2013. The Heritage Council in the Republic of Ireland announced that it would be unable to allocate funding for the wider heritage sector under its Grants Scheme in 2013. Looking to 2014, the Heritage Council has confirmed that due to funding constraints, it will not be in a position to fund works to Protected Structures. However, there will be limited funding available for Protected Structures under a programme of grant assistance announced recently by the Minister for Arts, Heritage and the Gaeltacht known as the Built Heritage Jobs Leverage Scheme.

The property market in the Republic of Ireland has emerged in recent years as a two-tier market with demand in many areas of Dublin during 2013 driving the price of housing upwards by some 11% whereas outside of the Dublin area, the price of property continued to fall with decreases on average being in the region of 6%. The main drivers in any property market are demand, the supply of bank finance and the supply of dwellings. There was a scarcity of houses coming to the market in Dublin during 2013 and a high proportion of sales have been to cash buyers. Experts are forecasting that the cash buyer market will recede and the role that NAMA and the banks play in releasing properties on the market could result in a change in the level of supply and possibly lower prices. The property market in Northern Ireland continued to experience difficulties during 2013 but there are encouraging signs for the first time since 2007 that the situation has stabilised and there has been a pick-up in sales, although average prices have largely remained unchanged. With continuing high unemployment and reduced take-home incomes, there is still uncertainty as to whether the property market has in general reached the bottom and is poised for a period of increasing prices.

The income from rented property has generally remained stable during 2013 but in major urban areas where there has been a shortage of good quality apartments and family homes, rents of some properties have increased between 5-11%. There is somewhat of a rural/urban split within the market, where rural rents have not increased in 2013.

- **Roles and Responsibilities**

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

- **Title and Contract Issues**

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

- **Church Fabric Fund**

The Church Fabric Fund (*Constitution of the Church of Ireland*, Chapter X Part IV) is held by the Representative Body to make grants to defray 'the costs, in whole or in part, of restoration or repair of the fabric of any Church or Chapel, if same is vested in it, and it is satisfied that it is in use and certified by the Diocesan Council to be essential for worship by the Church of Ireland'. The Fund was established in 1930 and has grown from the allocation of a minimum of 20% of the net proceeds arising from the majority of churches sold to a capital fund of €4,758,253 and £809,134. Grants of €60,050 and

£101,550 were allocated by the RCB from the income of the Fund on the recommendation of the Primate in 2013. Applications for grants, subject to criteria, are considered in March and October (details from Church of Ireland House, Dublin). A list of grants allocated during 2013 is included as Appendix I (page 180).

- **Marshal Beresford Fund**

  Grants of €28,800 and £69,750 for repairs to churches were made from the Beresford Fund in 2013. The allocation of the income, in accordance with the trusts, is made by the Archbishop of Armagh who does so in conjunction with his recommendations for grant assistance from the Church Fabric Fund.

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

  The new See House built for the United Dioceses of Kilmore, Elphin and Ardagh at Kilmore, Cavan, was officially opened on Thursday 13 June 2013.

- **The See House, Tuam**

  The new See House for the United Dioceses of Tuam, Killala and Achonry at Breaffy Woods, Castlebar, Co Mayo, was purchased in June 2013 following the sale of the former See House at Crossmolina.

- **The See House, Limerick**

  Agreement was reached with Limerick County Council during 2013 to purchase a site of 1.6 Acres (0.658 Hectares) on the edge of Adare village, Limerick, subject to Planning Permission being obtained for a new See House on the site. Plans for the new See House were approved by the Representative Church Body in December 2013 and it is anticipated that Planning Permission can be obtained during 2014. The Bishop presently resides in rented accommodation at Adare.

- **Stained Glass Windows (surveys)**

  The professional survey of stained glass windows in the Church of Ireland by Dr David Lawrence, an expert in stained glass, has resulted in surveys in St Patrick's Cathedral Dublin, Christ Church Cathedral Dublin, the Dioceses of Cork, Cloyne and Ross (including St Fin Barre's Cathedral), Armagh, Clogher, Derry and Raphoe, Meath and Kildare, Cashel, Ferns and Ossory, Tuam, Killala and Achonry, Dublin and Glendalough, Kilmore, Elphin and Ardagh, Limerick, Ardfert, Aghadoe, Killaloe, Clonfert, Kilmacduagh and Emly. The survey in the Diocese of Connor commenced during the year and will continue during 2014. The pace of the Survey has slowed due to lack of external funding for the project.

  The Representative Church Body has contributed €337,898 towards the project over the past 13 years. Funding of €241,842 was received from the Heritage Council towards the project until 2013 but grants are no longer available for such work due to the economic downturn.

During 2013 a grant of £5,000 was received from All Churches Trust and a grant of £10,000 was received from the Northern Ireland Environment Agency in support of the survey.

The Stained Glass Database (Gloine) which was launched in April 2008 is available on the internet at www.gloine.ie. The database enables the user to search by diocese, church, artist, studio, religious subject matter and date. During the year a zoom and pan function on all images together with a search by map facility has been added to the website and it is envisaged that floor plans of the church buildings will also be made available in 2014.

- **Churchyard and Graveyard Walls**

  Potentially serious financial loss to parishes due to ageing walls surrounding churchyards and graveyards was again evident in 2013. Parishes are strongly advised to inspect walls regularly, to seek technical advice and to carry out preventative maintenance where possible. Parishes should be vigilant when any form of development takes place on adjoining or adjacent sites and ensure that buttresses, foundations and other supporting structures are not interfered with to the detriment of the churchyard or graveyard walls.

- **Insurance**

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

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

- **Safety and Parish Premises**

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

- **Single Farm Payment (Area Entitlements)-Northern Ireland**

  Since 2005 the Representative Church Body has claimed the Single Farm Payment (Area Entitlements) on behalf of some 84 parishes in Northern Ireland.

As part of the reform of the Common Agricultural Policy, the current method whereby the Single Farm Payment (Area Entitlements) for parish lands in Northern Ireland is claimed and received will change in 2014.

The new Common Agricultural Policy does not intend for "non-farming landowners" to receive the Single Farm Payment (Area Entitlements) but instead for the payment to go to "active farmers". This will require the Representative Church Body/parish to transfer/sell the Single Farm Payment (Area Entitlements) to each "active farmer tenant" of the parish lands or alternatively place them on the open market for sale to other "active farmers". We understand that the deadline for trading entitlements will be 2 May 2014.

The value of each Area Entitlement is currently €78.33/hectare and it is important that each parish concerned ensures it will be compensated for the loss of income in 2014 and future years.

The new Common Agricultural Policy will result in the Representative Church Body ceasing to administer the claim/distribution process for the payments concerned, with the responsibility reverting to the Diocesan Glebes Committee/parishes to ensure that suitable annual payment is being received from the tenants for the use of the parish lands, where appropriate, as would have been the case prior to 2005.

- **Finance (Local Property Tax) Act, 2012 (Republic of Ireland)**

Local Property Tax

The Local Property Tax came into effect from 1 July 2013 and is a tax payable on the market value of residential property as determined on 1 May 2013.

Residential properties within parishes in the Republic of Ireland are not exempt under the Finance (Local Property Tax) Act, 2012 and parish Select Vestries are liable to pay the Local Property Tax in respect of these properties.

The Local Property Tax is collected by the Revenue Commissioners and is initially paid by the Representative Church Body to ensure compliance with Revenue deadlines. The tax is then collected from the parishes which are the beneficial owners, through the dioceses during the year.

Parishes should consult the Revenue Commissioners website www.revenue.ie for further information on the Local Property Tax.

- **Water Services (Amendment) Act 2012**

Domestic Waste Water Treatment Systems Registration (Republic of Ireland)

The Department of the Environment, has introduced a Domestic Waste Water Treatment Systems charge under the Water Services (Amendment Act), 2012. All domestic wastewater treatment systems have to be registered. This includes septic tanks, waste water tanks and treatment systems which are receiving, storing, treating or disposing of domestic waste water. It also includes all fittings and percolation areas associated with such tanks and systems and drains which are used to discharge waste water from premises, whether or not a receiving tank is present.

Domestic Waste Water Treatment Systems must be registered by 1 February 2013. There was a €5 fee to register up to 28 September 2012, after which the charge increased to €50. Registration will last for 5 years and there will be no fee for second or subsequent registrations.

An inspection scheme, for which there will be no charge, commenced in 2013.

It is important for parishes to ensure that they register any Domestic Waste Water Treatment System located on parish property, as failure to do so could incur a fine of up to €5,000.

Select Vestries should consult the Department of the Environment, Community and Local Government website www.environ.ie for further information on the registration and inspection system.

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

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

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

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

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

- Places of Worship;
- Protected Structures/National Monuments;
- Buildings used for the purpose of carrying out religious activities;
- Temporary buildings and certain non-habitable agricultural and industrial buildings with low energy demand;
- Stand alone buildings with a useful floor area of less than $50m^2$;
- If a building is to be demolished after sale.

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

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

- **Built Heritage Jobs Leverage Scheme (BHJLS) 2014 (Republic of Ireland)**

  The introduction of a new national scheme has been announced by the Minister for Arts, Heritage and the Gaeltacht called The Built Heritage Jobs Leverage Scheme 2014 and it is funded by a sum of €5m made available under the Government's Capital Stimulus programme.

  The Scheme seeks to encourage the leveraging of private capital to invest in a number of small-scale, labour-intensive projects to repair and conserve structures **protected** under the Planning and Development Act 2000 (as amended) and in certain cases, for the conservation of structures within **Architectural Conservation Areas**, and to support the employment of skilled and experienced conservation professionals, craft workers and trades people.

  The Scheme will be administered by the Local Authorities with a fixed amount of funding allocated to each Local Authority from the fund in 2014. The funding available to each Local Authority is based on their **Record of Protected Structures** (as submitted by each Local Authority to the Department in 2013), the **population** of each County (per the 2011 Census) and a **fixed baseline amount of €50k** for each Local Authority. Full details of the Scheme can be found on the relevant Local Authority website.

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

  Parishes in Northern Ireland may make application to the National Heritage Memorial Fund for a grant to assist in the preservation and maintenance of a church. The Church of Ireland has benefited considerably from such grants in recent years. The project must be seen as being of particular importance to the national heritage. Conditions applying to the terms of the grant include a requirement that the church building must be open for 40 days a year, apart from Sundays. Additionally, it should be ensured that the church will remain viable for a considerable period as there is a ten year clawback period in respect of the grant. Formal approval must be sought from the relevant Diocesan Council and the Representative Body before an agreement may be entered into in respect of a grant.

  Information may be obtained from the website www.hlf.org.uk/northernireland.

- **Grants for Places of Worship (Northern Ireland)**

  The Grants for Places of Worship programme is operated by the Heritage Lottery Fund and is for projects that involve urgent structural repairs to public places of worship that are listed A, B+, B, B1 or B2. As part of a repair project funds are also given for work to encourage greater community use and engagement. Parishes can apply for a grant from £10,000 to £250,000.

Grants for Places of Worship projects must achieve the following outcomes:

Outcome for heritage:

With the grant, heritage will be in better condition.

Outcome for communities:

With the grant, more people and a wider range of people will have engaged with heritage.

The Application process

Grants for Places of Worship applications go through a two-round process. This is so that you can apply at an early stage of planning the project and get help in working out the scope of the work that you need to undertake before you submit your proposals in greater detail.

- At the first round, the Heritage Lottery Fund assess the application in three months, and then it goes to the next decision meeting.

- The development phase can take up to 12 months, depending on the complexity of your project.

- At the second round, the Fund will assess your application in three months and give you a decision.

It is recommended that you submit a project enquiry form before you apply.

Decision meetings

Decisions are made four times a year, by the Heritage Lottery Fund Committee (HLF) for Northern Ireland and you should contact the HLF office in Northern Ireland for information about meeting dates.

Information may be obtained from www.hlf.org.uk/inyourarea/northernireland.

- **Listed Buildings Grant Aid Scheme (Northern Ireland)**

  Additional funding for repairs to all types of secular listed buildings and also for churches at Grade B+ and above has been provided through the Northern Ireland Executive's Economy and Jobs Initiative. As a result, the assistance that the Northern Ireland Environment Agency can now offer for approved repairs to many listed buildings has risen from 35% to 45% and the cap on expenditure on any single phase of work has risen from £150,000 to £500,000. More detailed information and application forms can be accessed on the website www.doeni.gov.uk/niea/funding.

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

  The Listed Places of Worship Grant Scheme was established in 2001 to provide grants towards VAT paid on eligible repairs and maintenance to listed buildings that are used principally as places of worship.

  The Scheme:

  - applies primarily to the repair and maintenance of listed buildings that are used principally as places of worship. However, from 1 October 2013 applications will be accepted in respect of redundant listed places of worship;
  - applies to listed places of worship throughout the UK which are included on the public registers of listed buildings for England, Scotland, Wales and Northern Ireland;
  - applies to listed places of worship owned by or vested in a number of specified organisations which look after redundant churches;
  - applies to listed places of worship of all religions and faith groups;
  - only accepts applications made in arrears;
  - only accepts claims where invoices are submitted within 12 months of the invoice date; and
  - only accepts applications where the value of the works eligible for the scheme is over £1,000 (excluding VAT).

  Following the introduction of the change to the VAT rate applied to alterations to listed buildings on 1 October 2012, the funding for the Listed Places of Worship Grant Scheme has been substantially increased.

  As part of the Budget 2012, the zero rate of VAT was withdrawn for approved alterations to listed buildings, effective from 1 October 2012 and it was announced that the Listed Places of Worship Grant Scheme would be extended to offset the financial impact of the VAT change on listed places of worship undertaking alteration works.

  The extended scheme will incorporate repairs, maintenance and alterations to listed places of worship and became operational on 1 October 2012. The extended scheme is designed to be as simple as possible with the same eligibility criteria applied for both alteration and repair and maintenance works. Claimants will use one application form for both kinds of work and will not be asked to identify whether a work was repair, maintenance or an alteration to a listed place of worship.

  In summary:

  ❒ The scheme will return to a system of monthly payments

❒ Some of the restrictions on eligibility criteria on certain repair and maintenance works will be lifted

❒ There are some additional items added to the eligibility criteria

The following restrictions on eligibility have been lifted since 1 October 2013:

♦ Removal of restrictions on works to pipe organs, turret clocks, bells and bell ropes.

The following item has been **added** to the eligibility criteria:

♦ Claims on security and forensic systems to prevent crime.

Under the new arrangements payments are being made **monthly instead of quarterly**.

The scheme is administered by the Listed Places of Worship Grant Scheme office of the Department for Culture, Media and Sport in the UK.

Full information and application forms may be obtained from their website, www.lpwscheme.org.uk or you can contact:

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

- **All Churches Trust Limited**

  All Churches Trust Limited supports appeals from churches for building and restoration projects, repair of church fabric, church community initiatives, religious charities, charities preserving UK heritage and other charitable causes. Grants are made out of income derived from All Churches Trust Limited's wholly owned subsidiary, Ecclesiastical Insurance Office Plc. Full information and application form may be obtained from the website www.allchurches.co.uk.

- **Big Lottery Fund (Northern Ireland)**

  Applications can be made to the Big Lottery Fund (see www.biglotteryfund.org.uk) for grants towards works to buildings such as church halls, which are used to bring improvements to the lives of people most in need in their communities, bringing them together to enjoy a wide range of charitable, community, educational, environmental and health-related activities.

- **Awards For All Programme**

  Applications for funding from a minimum of £500 to a maximum of £10,000 can be made to the Big Lottery Fund's Awards for All Programme. This includes small improvements grants for premises. Only one award can be held at a time. You can reapply for funding to meet the needs of your project, but the total amount of funding awarded to any one project in any twelve month period, cannot be more than £20,000. Full details of the programme may be obtained from the website www.biglotteryfund.org.uk.

- **Leader Funding (Republic of Ireland)**

  There are 36 individual companies administering Leader funding throughout rural areas in the Republic of Ireland. These companies use different names based on their location, and often are referred to as Integrated Local Development Company, Leader Company, the Leader Partnership or the Local Action Group (LAG). They all administer this particular rural development fund and must apply consistent rules for administering the money. Each LAG will have different priorities based on their local plan and the needs of the area. Parishes have benefited through applications to the fund in their area and have received grants for building works which fall into the relevant criteria, such as the upgrading of rural heritage and renewal and development. Contact your local Leader Group for advice or the National Rural Network website www.nrn.ie for details.

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

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

- **Church Buildings Sub-Committee**

  The Church Buildings Sub-Committee was formed in September 2008 and performs the duties previously undertaken by the former Historic Churches Advisory Committee, whose functions were assigned to the RCB Property Committee in 2008. The Church Buildings Sub-Committee reports directly to the Property Committee and its membership comprises the Ven R Warren and Mrs J Leighton (both of whom are members of the Property Committee).

  The Committee's principal function is to report to the Property Committee on applications received in respect of Forms of Certificates of Consent to Alterations, also known as the 'Blue Form'.

  When submitting a Form of Certificates of Consent to Alterations, to enable the Church Buildings Sub-Committee to consider the matter fully, it is essential that it is accompanied by supporting documentation, for example, illustrations of proposed stained glass windows, the proposed wording for a memorial plaque, or plans for the re-ordering of a church.

  During the year, the Church Buildings Sub-Committee reviewed and recommended 38 applications. These included items such as the erection of memorial plaques, and stained glass windows, the installation of public address and loop systems, general restoration works and the re-ordering of interiors of churches to provide space for meetings.

In the Republic of Ireland, in instances where a church is included in the List of Protected Structures, it is essential that parishes notify their Local Authority of any proposed alteration and gain the requisite agreement. Ecclesiastical Exemption in Northern Ireland means that Listed Building Consent is not required for internal alterations, but it is recommended that NIEA Built Heritage should be notified where a church is a Listed Building. In order to assist parishes, a step by step guideline is set out below on the procedures which should be followed in respect of any proposed alteration in both Northern Ireland and the Republic of Ireland, in order to comply with Church and State regulations.

Northern Ireland

- Appoint an Architect with expertise in the conservation of historic buildings.
- Establish if the church is a listed building.
- Where any alteration in the structure, ornaments, furnishings or monuments of a church (whether by introduction, alteration or removal) is being contemplated, a Form of Consent to Alterations (available from the Representative Church Body) should be completed and the approval of the Bishop or Ordinary obtained.
- Obtain the approval of the Diocesan Council and the Representative Church Body to any works involved in the church building development that is not covered by the Form of Consent to Alterations.
- Alterations to churches are subject to the same planning requirements for obtaining planning permission as unlisted buildings but 'The Ecclesiastical Exemption' applies to the interior and therefore Listed Building Consent is not required but it is recommended that NIEA Built Heritage should be consulted.
- Obtain the consent of the relevant Planning Authority to the proposed works, if applicable.
- Refer to the NIEA Built Heritage website at www.doeni.gov.uk/niea.

Republic of Ireland

- Appoint an Architect with expertise in the conservation of historic buildings.
- Establish if the church is listed as a Protected Structure under the Planning and Development Acts.
- Where any alteration in the structure, ornaments, furnishings or monuments of a church (whether by introduction, alteration or removal) is being contemplated, a Form of Consent to Alterations (available from the Representative Church Body) should be completed and the approval of the Bishop or Ordinary obtained.

- ❖ Obtain the approval of the Diocesan Council and the Representative Church Body to any works involved in the church building development that is not covered by the Form of Consent to Alterations.

- ❖ Obtain the consent of the relevant Planning Authority to the proposed works, if applicable.

- ❖ Refer to the Architectural Heritage Protection – Guidelines for Planning Authorities, 'Places of Public Worship' Chapter 5. Available on the Department of the Arts, Heritage and the Gaeltacht website at www.ahg.gov.ie.

Supplies of Forms of Certificates of Consent to Alterations may be obtained from the Property Department, Representative Church Body, Church of Ireland House, Rathmines, Dublin 6 (Email: property@rcbdub.org)

Advice Series on Built Heritage

In the Republic of Ireland, the Department of the Arts, Heritage and the Gaeltacht has also published an excellent advice series on the following aspects of Built Heritage:

- Access - Improving the Accessibility of Historic Buildings and Places
- Bricks - A Guide to the Repair of Historic Brickwork
- Conservation of Places of Worship
- Energy Efficiency in Traditional Buildings
- Iron - The Repair of Wrought and Cast Ironwork
- Maintenance - A Guide to the Care of Older Buildings
- Roofs - A Guide to the Repair of Historic Roofs
- Ruins - The Conservation and Repair of Masonry Ruins
- Windows - A Guide to the Repair of Historic Windows

The above publications can be downloaded at:
www.pobail.ie/en/Publications/HeritagePublications

Website

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

LIBRARY AND ARCHIVES COMMITTEE

- **Summary**

The principal focus of the Library's work continues to be the provision of resources for ministerial training through the sourcing, accessioning and cataloguing of new books, the re-cataloguing of the existing book stock, the management of a borrowing facility and the provision of study space.

During 2013 further substantial progress was made on converting the card catalogue of printed books to the online catalogue which provides universal access through the Library's website www.library.ireland.anglican.org. At the end of 2013, 38,026 books were available on the online catalogue.

Further progress was also made, with the assistance of the Church House IT Department, in populating the Library's website with introductory information and in making lists and indexes of archives and manuscripts available online. The 'Archive of the Month' initiative continued to be successful in introducing aspects of the collections to a wider audience, and in attracting media attention.

A list of 'Archive of the Month' titles for the year is included as Appendix J (page 181).

Additional tranches of parish, diocesan and cathedral records were transferred to the Library from local custody. The Library manages, and makes available to an increasing number of researchers, records from 1086 parishes, chapels of ease and chaplaincies, 20 dioceses and 20 cathedrals as well as 969 collections of ecclesiastical manuscripts.

In addition the Library has continued to discharge its curatorial responsibilities for church plate and episcopal portraits, and for the editorial dimension of the *Church of Ireland Directory*.

- **Allocations**

The General Synod allocated €5,000 for the purchase of books and conservation, and this was supplemented from accumulated resources. Welcome donations were received from APCK (€1,000); Cashel, Ferns and Ossory dioceses (€800); Derry & Raphoe diocese (£500); Dublin & Glendalough dioceses (€1,000); Holy Trinity, Killiney, parish (€100); Irish Section of the Huguenot Society of Great Britain & Ireland (€100); Limerick, Killaloe & Ardfert diocese (€250); Sandra Doble (€500); Tuam, Killala & Achonry diocese (€500).

- **Staffing**

The Library staff was augmented by a graduate from the MA in Historical Archives programme in NUI Maynooth who worked in the Library, voluntarily, for two days each week following the completion of his course.

- **Accessions**

  Books and periodicals were purchased to meet the requirements of those in training for ministry and the needs of the wider church. In particular, continued purchasing was required to meet the needs of ordinands in the Church of Ireland Theological Institute. These purchases were augmented by donations from publishers, authors and from a number of individuals, notably Canon CWM Cooper, the Rev GT Doyle, the Rev Dr SEB Durand, Canon KA Kearon, the late Ms Olga Kerr, the Rev RG Kingston and the Rev GDB Smith. However, the most significant single accession of printed material was the collection of the late Canon JAB Mayne, whose liturgical books and pamphlets were donated by his family.

  The principal archival accessions were records from 88 parishes, bringing to 1086 the number of parish collections which the Library manages. In addition there were transfers of diocesan records from Belfast and Cashel and musical manuscripts from St Patrick's Cathedral, Dublin, and there were 17 accessions of miscellaneous manuscript material, among which were the records of the Portrush Clergy Refresher Course and four clerical societies bringing to 39 the Library's holdings of clerical society records.

  A list of accessions of archives and manuscripts to the Library during 2013 is included as Appendix K (page 182).

- **Storage**

  The Committee presented a paper on the storage and space needs of the Library to the Executive Committee which, while recognizing that there was a problem, was unable to recommend the building of additional accommodation at Braemor Park at present. However sanction was given to fund commercial storage to relieve pressure in the short term.

- **Ministerial Training**

  In support of ministerial training, one of the core functions of the Library, induction sessions were provided for ordinands in the Theological Institute, for those in part-time training, and for students on the Foundation Year programme.

  On the weekends on which there was part time training in the Theological Institute the Library remained open until 7.30 pm.

- **Cataloguing**

  Work continued on converting the catalogue of printed books from cards to computer. Almost 4,500 books were processed in 2013 and these are available online through the Library website. Work is continuing on converting the older theological and historical book stock.

  Records from 88 parishes were listed.

However, the largest cataloguing initiative was another two phases of the project to digitize, catalogue and make available online the Library's collections of architectural drawings of churches. The processing of drawings of churches in the dioceses of Connor, Cork, Ross, Waterford and Lismore was funded by the RCB while St Patrick's Cathedral, Dublin, funded the processing of the cathedral's drawings. Some 2,549 drawings of 371 churches are now available at http://www.archdrawing.ireland.anglican.org.

- **Conservation**

  Twelve volumes of parish and cathedral records were repaired and rebound. Mr Henry Alexander generously arranged for the binding of the issues of the *Church of Ireland Gazette* and the *Church Review* for 2011.

- **Church Plate**

  Progress continued to be made with the church plate inventory and over 90% of the inventories have been returned and checked. The transfer of plate from local custody continued as parishes reduced the holdings in their safes and removed items from local banks and continued to facilitate the re-allocation of pieces to other parishes. The Library holds some 680 pieces of church plate.

- **Episcopal Portraits**

  The Kilmore portrait collection was photographed.

- **Outreach**

  The parish registers of Templeharry (Killaloe) were temporarily transferred to TCD Library for the visit of Michelle Obama.

  Library staff gave presentations on aspects the Library's holdings at the International Centre for Archival Research annual conference, E-Challenges technology research conference, Back to the Past genealogical show at the RDS, National Library of Ireland Gathering Genealogy Series, Irish Family History Society and the North Down & Ards Family History Society.

  Groups from the TCD MPhil class, Association of Professional Genealogists, Lisnaskea Ancestry Project, and Gorey Family History Society visited the Library.

  Contributions relating to the Library's holdings were made to radio and television programmes on RTÉ, BBC and Kildare FM.

DONATIONS AND BEQUESTS TO THE CHURCH OF IRELAND

- **Trustee role of the Representative Church Body**

The Representative Body was incorporated by Charter to hold property and funds in trust for the Church. As a permanent trustee body it administers a large number of trusts donated or bequeathed for specific Church purposes, parishes and dioceses.

There is considerable advantage in donating or bequeathing in trust to a permanent trustee body such as the Representative Body (or the Church of Ireland Trustees in Belfast) rather than to local trustees. For instance, with a permanent trustee body there is no need to appoint new trustees from time to time.

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

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

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

- **Tax relief on charitable donations**

Northern Ireland

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

The total value of the subscriptions collected under Gift Aid on behalf of parishes in 2013 was £5,013,588 to which the income tax recovered by the Representative Body added £1,255,930 to give a total of £6,269,518 as compared with £6,317,236 in the previous year. This figure includes an element of transitional relief which was provided by the Government to allow charities to adjust to the fall in basic rate tax from 22 per cent to 20 per cent and is paid in respect of all qualifying Gift Aid donations made to charities between 6 April 2008 and 5 April 2011. For that period, for claims submitted within two years of the end of the relevant accounting period, the charity/parish continued to receive 28p for every pound donated under Gift Aid.

From 6 April 2013, charities that receive small donations of £20 or less will be able to apply for a Gift Aid style repayment without the need to obtain Gift Aid declarations for those donations. The amount of small donations on which the new repayment can be claimed will be capped at £5,000 per tax year, per charity. The Representative Body will assist parishes who wish to make claims through the Gift Aid Small Donations Scheme (GASDS). Information on how to claim under GASDS is available from Church of Ireland House, Dublin.

Republic of Ireland

In December 2012 the Minister of Finance for the Republic of Ireland announced the following changes to the Tax Relief for Donations to Approved Bodies under Section 848A of the Taxes Consolidation Act 1997, effective from 1 January 2013:

- All donations of €250 or more from individuals (PAYE and Self-Assessed) are treated the same, with the tax relief in all cases being repaid to the charity.

- Tax relief is available at a blended rate of 31% in respect of all taxpayers, regardless of their marginal rate.

- An annual limit has been introduced of €1m per individual, being the amount which can be tax relieved under the scheme.

The Government has also implemented a number of changes in the way the scheme is administered, with the intention of simplifying and reducing the administrative burden.

A circular outlining the changes to the scheme has been issued for the information of dioceses and parishes.

- **Form of Bequest**

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

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

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

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

- **Donations, Bequests and Funds Received**

A full list of funds received by the Representative Body in 2013 on behalf of parishes, dioceses and special trusts is included as Appendix L (page 188).

- **Trusts for Graves**

The Representative Body does not accept any trust for the provision, maintenance or improvement of a tomb, vault, grave, tombstone or other memorial to a deceased person unless a specific benefit will accrue to the parish concerned.

MISCELLANEOUS AND GENERAL

- **Deposit Interest (Rates)**

The rates of interest allowed or charged by the Representative Body are linked to the rates ruling from time to time in the money market. The following rates of interest were applied by the Representative Body in 2013:

	€		£	
	Dr	Cr	Dr	Cr
QUARTER ENDED	%	%	%	%
31 March	3.50%	1.95%	2.50%	1.50%
30 June	3.50%	1.45%	2.50%	1.50%
30 September	3.50%	1.25%	2.50%	1.40%
31 December	3.50%	1.00%	2.50%	1.20%

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

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

Year on year (December)	UK (CP Index)*	Republic of Ireland (CP Index)
2009	2.9%	-5.0%
2010	3.7%	1.3%
2011	4.2%	2.5%
2012	2.7%	1.2%
2013	2.0%	0.2%

* From April 2011 the UK Consumer Price Index (CPI) is the benchmark used by the UK Government for the indexation of benefits, tax credits and public service pensions.

RESOLUTIONS RECOMMENDED TO THE GENERAL SYNOD

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

I. Allocations

That the General Synod hereby authorises the Representative Body to make the following allocations from General Funds in 2014:

	€
Group A – Maintenance of the Stipendiary Ministry	1,224,608
Group B – Pension Related Costs	197,693
Group C – Training of Ordinands	1,383,963
Group D – General Synod Activities	945,354
Group E – Miscellaneous	5,500
	3,757,118

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

FINANCIAL STATEMENTS – PAGE 1

YEAR ENDED 31 DECEMBER 2013

CONTENTS

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND
EXECUTIVE COMMITTEE AND OTHER INFORMATION PAGE 3

CHAIRMAN

- Mr RS Neill

MEMBERS (*ex officio*)

- The Archbishop of Armagh
- The Archbishop of Dublin
- Canon GC Richards (Allocations Committee)
- Mr HJ Saville (Investment Committee) (Deputy Chairman)
- Mr RH Kay (Property Committee)
- Mr W Oliver (Stipends Committee)

MEMBERS (elected)

- Rt Rev WP Colton
- Rev AJ Forster
- Very Rev JO Mann
- Ven REB White
- Mr TH Forsyth
- Mr LJW MacCann
- Mr DG Perrin
- Mr MJT Webb

BANKERS

- Bank of Ireland
  College Green, Dublin 2
- Bank of Ireland
  Talbot Street, Dublin 1

CUSTODIANS

- Northern Trust
  Canary Wharf, London E14 5NT

AUDITORS

- PricewaterhouseCoopers
  One Spencer Dock, North Wall Quay, Dublin 1

OFFICERS

- Chief Officer and Secretary	Mr TA Clements
- Head of Finance	Ms K Williams
- Head of Property and Trusts	Mr TJ Stacey
- Head of Synod Services and Communications	Mrs JM Maxwell
- Head of Investments	Mr R Asher
- Senior Solicitor	Mr M McWha

OFFICE: Church of Ireland House, Church Avenue, Rathmines, Dublin 6.

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND
EXECUTIVE COMMITTEE REPORT **PAGE 4**

The financial statements of the Representative Body set out the performance and year end values of the funds managed for the Church of Ireland in general, and also those for diocesan, parochial and other specific Church trusts, as well as the cost of support provided for wider Church activities and of central administration. The overriding financial objectives are the optimisation of return for present and future generations, and the control of costs and outgoings within sustainable levels.

In the management of the Church's General Funds this involves managing expenditures within the discipline of a long term target of achievable return. Thus the long term withdrawal target is set at 3.5% of General Funds value, while the long term sustainable level of total real return is deemed to be 4.0%. The 0.5% differential is intended to grow the capital base. Progress has been achieved in the period following the impact of the financial shocks of 2008. From that low General Funds employed have grown from €125m to €161m at the end of 2013, while in the same period €20m has been provided from General Funds to support the Clergy Pensions Fund.

Before the special contribution of €5m to the Clergy Pensions Fund in 2013, withdrawals from the General Fund account, at €6.6m, remained for the year at a level €0.40m above what is sustainable in the longer term. Forward projections show that more work needs to be done to ensure convergence with the long term withdrawal target.

The RCB's management of other Church funds and Northern Ireland Gift Aid reclaims enabled a net amount of €9.8m to be paid to dioceses and parishes in the year in support of their local activities.

Statement of Trustee's Responsibilities

The Representative Body, as Trustee, is responsible for preparing the annual report and the financial statements in accordance with the accounting policies of the Representative Body. In preparing the financial statements the Representative Body is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain material differences from applicable Accounting Standards;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in business.

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

The Trustee is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the organisation. It is also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RS Neill
Chairman, Executive Committee
11 March 2014

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INDEPENDENT AUDITORS' REPORT TO THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

We have audited the financial statements of the Representative Body of the Church of Ireland for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and the related notes. The financial reporting framework that has been applied in their preparation is the basis of preparation and accounting policies in note 1(i) to the financial statements.

Respective responsibilities of trustee and auditors

As explained more fully in the Statement of Trustee's Responsibilities set out on page 4, the Trustee is responsible for the preparation of the financial statements in accordance with the basis of preparation and accounting policies in note 1 to the financial statements. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Trustee as a body for governance purposes in accordance with our engagement letter dated 4 November 2013 and for no other purpose. We do not, in giving this opinion, 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, including without limitation under any contractual obligations of the Representative Body of the Church of Ireland, save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Representative Body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustee; and the overall presentation of the financial statements. In addition, we read the Executive Committee Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements have been properly prepared in accordance with the basis of preparation note and the accounting policies on pages 7 to 10 and present the state of the Representative Body's affairs as at 31 December 2013 and its incoming resources and application of resources and cash flows for the year then ended in accordance therewith.

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T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, www.pwc.ie

Chartered Accountants

pwc

INDEPENDENT AUDITORS' REPORT TO THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND - continued

We have obtained all the information and explanations which we consider necessary for the purposes of out audit. In our opinion proper books of account have been kept by the Trustee. The financial statements are in agreement with the books of account.

Emphasis of matter – Basis of preparation

In forming our opinion on the financial statements, which is not modified, we draw attention to the fact that the accounting policies used and disclosures made are not intended to, and do not, comply with all the requirements of Generally Accepted Accounting Practice in Ireland.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin

13 March 2014

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND
ACCOUNTING POLICIES **PAGE 7**

1. The significant accounting policies adopted by the Representative Body are as follows:

(i) **Basis of preparation**

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

- The administration of trusts together with the provision of investment and treasury management services. A charge is recovered from the beneficial owners of the investments under the RCB's management in respect of the costs incurred by the RCB in providing the investment and treasury management services.
- The provision of other management services including payroll services provided for the dioceses, property and legal services to parishes, dioceses and the wider Church, and the provision of support to the core work of the Church generally. The costs incurred by the RCB in providing these services are recovered from the investment income earned on investments managed by the RCB on behalf of the General Synod.

The financial information in relation to the activities of the RCB and the assets under its management is presented in columnar format in the Statement of Financial Activities (SoFA) on page 11 and the Balance Sheet on page 12.

- **RCB activities**

  The SoFA represents the costs which are incurred directly by the RCB in providing investment, administrative, legal, property and other services to the dioceses and parishes of the Church of Ireland. A charge in respect of the costs of investment and treasury management services is recovered from the beneficial owners of the investments. Other costs are recovered from the investment income earned on investments managed by the RCB on behalf of the General Synod.

  The column headed 'RCB Activities' on the Balance Sheet represents the assets and liabilities of the RCB. Church and other related property assets are held by the RCB as trustee on behalf of the wider Church, but the RCB is not the beneficial owner. Such assets are not reflected on the balance sheet.

- **General Funds**

  The column headed 'General Funds' in the SoFA represents the investment income earned from investments which are under the management of the RCB but are held for the benefit of the wider Church of Ireland. The costs incurred by the RCB in the provision of investment and other services are recovered from the General Funds investment income earned. Allocations represent amounts expended on wider church activities as detailed in Note 7.

  The column headed 'General Funds' in the Balance Sheet discloses the assets which are under the management of the RCB, but which are held for the benefit of the wider Church of Ireland.

- **Parish, diocesan and other trust funds**

  The column headed 'Parish, diocesan and other trust funds' in the SoFA shows the investment and deposit income earned from investments which are under the management of the RCB but which are beneficially owned by the dioceses, parishes and specific trusts. It also shows income tax reclaimed on behalf of parishes in Northern Ireland under the Gift Aid scheme. A charge to the beneficial owners is made in respect of investment and management services provided by the RCB.

  The column under this heading in the Balance Sheet discloses, for information purposes, the assets which are under the management of the RCB, but which are beneficially owned by the dioceses, parishes and specific trusts.

(ii) **Valuation of investments** – The Representative Body has classified investments as financial assets at fair value.

Initial measurement

Purchases and sales of financial assets (including investments, options and index covered calls) are accounted for at trade date for financial statement purposes. Realised gains and losses on disposals of financial assets are calculated based on the difference between the average cost of the assets sold and the sale proceeds at the date of sale. Transaction costs for financial assets are recognised directly and included in the cost of the investment. Transaction costs associated with the disposal of a financial asset are offset against the sales proceeds received.

Subsequent measurement

After initial measurement the Representative Body measures financial assets at fair value, including financial instruments (put & call options and index covered calls). Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. On the last business day of the year when markets are open for business, the fair value of financial assets is based on their official closing prices on a recognised exchange. Both realised and unrealised gains and losses on arm's length transactions are recognised in the Statement of Financial Activities on page 11.

In the case of financial assets not traded on an exchange, fair value is determined on the basis of their probable realisable value at the balance sheet date, determined with care and in good faith by a competent person appointed by the Head of Investments, approved by the Investment Committee for that purpose, without any deduction for estimated future selling costs.

(iii) **Securities lending –** The RCB participates in a securities lending programme operated by the RCB's custodian, Northern Trust. The securities are loaned to external counterparties for a set period of time and in return the RCB recognises as income the fee received for the loaned securities. Under the terms of the securities lending agreement the RCB retains all the risks and rewards of ownership of the loaned securities.

(iv) **Financial instruments –** Financial instruments are used as part of the RCB's portfolio risk management strategy and as part of the portfolio investment return strategy. The use of financial instruments includes stock options and index covered calls.

The stock options and index covered calls are stated at market value at year end.

The market value of contract positions is recognised as a current liability in the Balance Sheet and gains and losses on the contract are recognised in the Statement of Financial Activities.

(v) **Income recognition** – Income includes interest and dividends receivable during the financial year and, in the case of General Fund assets, reflects bought and sold interest on bond transactions in the accounting period and fees received from the stock lending programme.

(vi) **Foreign exchange translation** – The Functional and Presentation currency of the Representative Body is Euro. This is considered to be the currency of the primary economic environment.

Assets and liabilities in currencies other than the functional currency of the Representative Body are translated into euro at the exchange rates ruling at the balance sheet date. Transactions in currencies other than the functional currency of the Representative Body are translated into euro at the rates ruling at the transaction date. Gains and losses on foreign exchange transactions are recognised in the Statement of Financial Activities on page 11. Sterling is the most significant currency other than euro for transactional and balance sheet purposes, and at the year end the rate was €1 = £0.8302 (2012 €1 = £0.8161).

(vii) **Taxation** – The Representative Body has been granted charitable taxation status by the Revenue Commissioners and by HM Revenue and Customs in the tax jurisdictions of Ireland and the United Kingdom respectively. It is recognised as a charity under section 207 of the Taxes Consolidation Acts, 1997, with the registration number CHY2900, and under Section 505 of the Income and Corporation Tax Act 1988, under registration number XN45816.

Neither the Representative Body nor any other entity for which results are shown is generally chargeable to Irish and UK taxation on its income or capital gains. Withholding tax refunds received are recognised at the point when they are recovered.

(viii) **Loans** – Loans in the General Funds Balance Sheet are stated at book cost at the balance sheet date.

(ix) **Financial Risk** – The Representative Body manages a variety of risks, including market price, interest rate, foreign currency and liquidity, through the maintenance of a widely diversified portfolio of actively traded financial assets. Note 14 to the financial statements sets out the exposure and the detail of treatment adopted.

(x) **Tangible fixed assets and depreciation** – Land is stated at cost. Other fixed assets are stated at cost less accumulated depreciation and are depreciated over the period of their expected useful economic lives. Depreciation is calculated using the following annual rates: Premises: 2% to 10%; Furniture and fittings: 8% to 10%; Office equipment: General 20%, System software 10%, Other software 20%.

Church buildings and silverware are not considered to be beneficially owned by either the Representative Church Body or General Funds, and hence are not included as either Tangible Fixed Assets or as Heritage Assets.

(xi) **Allocations** – Allocations are recognised in the General Funds column in the year in which they are expended.

Included in Reserves is an amount provided for the expected value of Allocations to be expended in 2014, and also an Allocations Equalisation Reserve which is utilised to smooth the impact of expected Allocations expenditure on income arising in the year.

(xii) **Retirement benefits –** Defined benefit pension scheme assets are measured at fair value. The year-end bid price is taken as the fair value of these assets. Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit method. The excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability. The defined benefit pension charge included in Resources Expended on the Statement of Financial Activities (SoFA) comprises the current service cost and past service costs. An excess arising of the expected return on scheme assets over the interest cost on the scheme liabilities is presented in the SoFA as part of the cost of operations. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the SoFA in the year in which they occur.

(xiii) **Cost of operations**

The cost of generating funds comprises the payroll costs of investment management, legal and accounting services, including those made available to the wider Church, external fund management costs and associated allocated overheads.

The cost of charitable activities comprises the payroll and associated allocated overheads charged to trust and property management, communications, education and the RCB Library.

The cost of governance activities relates to the payroll and associated allocated overhead costs incurred in supporting General Synod, central committee expenses and episcopal electoral expenses.

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THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2013 **PAGE 11**

		2013			2012		
	Notes	RCB activitities €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000	RCB activitities €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000
Incoming resources							
Income from investments		-	5,544	7,929	-	5,701	7,765
Income from property and loans		-	138	-	-	142	-
Deposit Interest		-	191	970	-	263	1,330
Tax refund Gift Aid		-	-	1,513	-	-	1,584
Sundries		-	133	-	-	166	-
Subvention from other Church funds		-	112	-	-	230	-
		-	6,118	10,412	-	6,502	10,679
Resources expended							
Costs of operations							
Cost of generating funds	5	1,551	-	-	1,717	-	-
Cost of charitable activities	5	848	-	-	800	-	-
Cost of governance activities	5	433	-	-	400	-	-
Other resources expended	6	411	-	-	320	-	-
RCB costs recovered	5,6	(3,243)	2,672	571	(3,237)	2,685	552
		-	2,672	571	-	2,685	552

Net incoming resources before allocations and distributions		-	3,446	9,841	-	3,817	10,127
Allocations and distributions							
- Allocation to Church activities expended in year	7	-	3,911	-	-	4,485	-
- Special pension contributions and charges	13	-	5,000	-	-	5,000	-
- Distributions		-	-	9,841	-	-	10,127
		-	8,911	9,841	-	9,485	10,127
(Decrease) in resources before gains and losses		-	(5,465)	-	-	(5,668)	-
Recognised gains and (losses)							
Gains unrealised on revaluation	4,8	-	2,247	11,047	-	12,617	27,844
Gains realised on invested assets	4,8	-	12,900	78	-	5,859	77
Currency movements	4,8	-	(1,197)	(914)	-	1,372	1,159
Other recognised gains/(losses)	4	222	56		(2,072)	65	-
Transfers between funds	13	(222)	222		2,072	(2,072)	-
Net gain in funds		-	8,763	10,211	-	12,173	29,080
Total funds brought forward		-	152,678	234,977	-	140,505	208,354
Capital receipts/(withdrawals)	8(c)	-	-	4,278	-	-	(2,457)
Total funds carried forward		-	161,441	249,466	-	152,678	234,977

Signed: *RS Neill*
HJ Saville
Date: *11 March 2014*

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

BALANCE SHEET

YEAR END 31 DECEMBER 2013 **PAGE 12**

		2013			2012		
	Notes	RCB €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000	RCB €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000
TANGIBLE FIXED ASSETS	1	4,451	-	-	4,596	-	-
INVESTMENTS							
Loans		-	1,527	-	-	1,491	-
Invested fund assets	2(a),3	-	158,022	213,942	-	145,897	201,476
		4,451	159,549	213,942	4,596	147,388	201,476
CURRENT ASSETS							
Debtors		327	1,789	-	344	1,164	-
Cash on short term deposit	11	-	3,897	35,524	-	4,191	33,492
Bank balances	11	969	-	-	883	-	9
		1,296	5,686	35,524	1,227	5,355	33,501
CURRENT LIABILITIES							
Creditors		1,049	211	-	760	40	-
Financial Instrument	2(b)	-	3,765	-	-	-	-
		1,049	3,976	-	760	40	-
NET CURRENT ASSETS		247	1,710	35,524	467	5,315	33,501

LONG TERM (LIABILITY)							
Staff pension scheme (deficit)	12	(4,516)	-	-	(5,088)	-	-
BALANCE WITH GENERAL FUNDS		(182)	182	-	25	(25)	-
TOTAL NET ASSETS		-	161,441	249,466	-	152,678	234,977
FUNDS EMPLOYED	4,8(c)	-	161,441	249,466	-	152,678	234,977

Signed: *RS Neill*
HJ Saville
Date: *11 March 2014*

THE REPRESENTATIVE BODY OF THE CHURCH OF IRELAND

CASH FLOW STATEMENT

YEAR END 31 DECEMBER 2013 **PAGE 13**

		2013			2012		
	Notes	RCB €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000	RCB €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000
NET INCOMING RESOURCES BEFORE ALLOCATIONS AND DISTRIBUTIONS	9	184	6,674	9,841	516	3,863	10,128
ALLOCATIONS AND DISTRIBUTIONS							
Allocations expended and distributions		-	(3,911)	(9,841)	-	(4,485)	(10,128)
Unit Trust Cash introduced		-	-	3,848	-	-	-
Special pension contributions and other charges		-	(5,350)	(91)	-	(5,305)	45
		184	(2,587)	3,757	516	(5,927)	45
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS							
Purchase of investments		-	(107,898)	(3,388)	-	(94,109)	(1,459)
Sale of investments including currency movements		-	97,847	1,094	-	107,789	2,119
Gains and losses including currency movements		-	12,383	(652)	-	6,046	962
Advances of glebe, miscellaneous and car loans		-	(324)	-	-	(364)	-

Repayment of glebe, miscellaneous and car loans		-	287	-	-	342	-
Purchase of fixed assets	1	(98)	-	-	(165)	-	-
NET CASH FLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS		(98)	2,295	(2,946)	(165)	19,704	1,622
FINANCING							
Net cash inflow/(outflow) for specific trusts		-	-	1,121	-	-	(3,196)
NET CASH FLOW FROM FINANCING		-	-	1,121	-	-	(3,196)
INCREASE/(DECREASE) IN CASH	10	86	(292)	1,932	351	13,777	(1,529)

Signed: *RS Neill*
HJ Saville

Date: *11 March 2014*

1 TANGIBLE FIXED ASSETS

	Premises	Furniture and fittings	Office equipment	Total
	€'000	€'000	€'000	€'000
Cost				
At beginning of year	5,099	500	1,572	7,171
Additions	-	3	100	103
Disposals	-	-	-	-
Currency adjustment	(3)	-	(2)	(5)
At end of year	5,096	503	1,670	7,269
Depreciation				
At beginning of year	937	394	1,244	2,575
Charge for year	113	20	112	245
Disposals	-	-	-	-
Currency adjustment	(1)	-	(1)	(2)
At end of year	1,049	414	1,355	2,818
Net book value				
At beginning of year	4,162	106	328	4,596
At end of year	4,047	89	315	4,451

2 (a) GENERAL FUNDS – ANALYSIS OF FUND ASSETS

	2013 €'000	2012 €'000
Investments at valuation		
Ireland		
Government bonds	10,050	7,670
Corporate bonds	11,228	15,027
Equities	790	2,086
Unit trusts	11,839	146
United Kingdom		
Bonds	15,036	18,145
Equities	25,469	26,227
Europe		
Bonds	4,867	2,088
Equities	44,403	40,533
North America		
Bonds	6,231	-
Equities	5,748	10,012
Rest of the world		
Equities	4,431	6,112
	140,091	128,046
Other assets		
Cash	17,931	17,851
Total Invested Assets 2(a)	158,022	145,897

2 (b) FINANCIAL INSTRUMENTS

	2013	2012
Financial Instrument	(3,765)	-

During the year the RCB entered into stock options and index covered calls. The market value of open options and indexed covered calls at the balance sheet date was €3.765m (2012: Nil). This value is included in current liabilities under financial instruments in the balance sheet.

2 (b) FINANCIAL INSTRUMENTS (CONTINUED)

General Funds received premiums for stock options and index covered calls during the year totalling €3.33m (2012: €8,000). Premiums at the year end on open options of €3.32m together with an unrealised valuation loss of €0.45m, being the market value of open options at the year end, are included in the balance sheet as a financial liability. Premiums on closed options of €11,000 together with an unrealised valuation loss of €0.45m are included in the SoFA. Sold call options are covered by quoted equity positions and cash collateral. Sold put options and indexed covered calls are covered by cash collateral.

2 (c) SECURITIES LENDING

The invested assets of General Funds include securities on loan at year end with a market value of €4.39m (2012: Nil). The loaned securities continue to be carried as investment assets in General Fund investments in the balance sheet. The lending agreement requires collateral to be provided by the borrowers of the securities. General Funds hold non cash collateral of €4.62m (2012: Nil) in respect of these securities. This collateral is not recorded as an asset with a matching liability in the balance sheet. The income received due to securities lending activities is included in income from investments in the SoFA and totals €15,000 for the year (2012: Nil).

3 PARISH, DIOCESAN AND OTHER TRUST FUNDS

	2013 €'000	2012 €'000
RB General Unit Trusts	213,268	200,711
Cash	674	765
	213,942	201,476

4 FUNDS EMPLOYED

	Balance at 1.1.13 €'000	Net before gains and losses €'000	Currency translation movements €'000	Pension & reserve movements €'000	Recognised gains/ (losses) €'000	Profit on investment sales €'000	Revaluation movements €'000	Balance at 31.12.13 €'000
Capital invested	147,913	-	(1,164)	(5,350)	-	12,524	2,543	156,466
Unrealised surplus on revaluation of property	367	-	-	-	-	-	-	367
Invested assets	148,280	-	(1,164)	(5,350)	-	12,524	2,543	156,833
Less - Staff pension deficit	(5,088)	-	-	350	222	-	-	(4,516)
Net capital invested	143,192	-	(1,164)	(5,000)	222	12,524	2,543	152,317
Designated reserves								
Allocations reserve for following year (Note 7)	4,339	-	-	(469)	-	-	-	3,870
Allocations equalisation reserve	4,333	(5,465)	(33)	5,468	-	376	(296)	4,383
Staff pensions reserve	95	-	-	1	-	-	-	96
Sundry designated reserves	719	-	-	-	56	-	-	775
	152,678	(5,465)	(1,197)	-	278	12,900	2,247	161,441

General Funds capital movements records the transfer of €5.0m to support the solvency of the Clergy Pensions Fund and €350,000 to support the Staff Pension Fund.

5	COSTS OF OPERATIONS	2013 €'000	2012 €'000
	Cost of generating funds		
	Payroll and related costs	1,366	1,306
	Less - payroll costs recharged	(323)	(214)
		1,043	1,092
	External managers	212	332
	Office supplies, repairs and taxes	168	171
	Depreciation	128	122
		1,551	1,717
	Cost of charitable activities		
	Payroll and related costs	664	627
	Less - payroll costs recharged	(222)	(224)
		442	403
	Office supplies, repairs and taxes	105	107
	Depreciation	80	77
	RCB Library	221	213
		848	800
	Cost of governance activities		
	Payroll and related costs	344	312
	Less - payroll costs recharged	(185)	(187)
		159	125
	Office supplies, repairs and taxes	48	49
	Depreciation	36	35
	Audit fees	75	74
	Central committee expenses	108	117
	Episcopal electors expenses	7	-
		433	400
	Total cost of operations	2,832	2,917

RCB costs of operations arising are recovered from General Funds and Parish, Diocesan and Other Trust Funds where appropriate.

The activities falling under each function heading are set out in Accounting Policy (xiii), on page 10 of the financial statements.

6 OTHER RESOURCES EXPENDED

	2013 €'000	2012 €'000
Professional costs	290	196
Pensions for retired staff	121	124
	411	320

7 ALLOCATIONS

	2014 €'000	2013 €'000	2012 €'000
(a) Reserve for following year			
Maintenance of the stipendiary ministry	1,225	1,484	1,449
Retired clergy and surviving spouses	248	494	783
Training of ordinands	1,447	1,398	1,431
General Synod activities	945	934	962
Miscellaneous financing	5	5	5
Reserve for following year (see Note 4)	3,870	4,315	4,630

	2013 €'000	2012 €'000
(b) Expended in year		
Reserve released	4,315	4,630
Less - allocations unexpended	404	145
	3,911	4,485

The 2014 reserve for Allocations included in designated reserves in Note 4, is the gross amount committed by General Funds to be expended on wider Church activities in 2014. The value of subventions in 2013 was €112,045 (2012 - €230,000) and is shown in incoming resources.

8 PARISH, DIOCESAN AND OTHER TRUST FUNDS

	Balance at 1.1.13 €'000	Currency translation movements €'000	Capital changes/ movements €'000	Profit/ (loss) on sales €'000	Revaluation movements €'000	Balance at 31.12.13 €'000
(a) INVESTED CAPITAL						
Parish trusts and glebe sales	129,103	(545)	1,197	89	6,445	136,289
Diocesan stipend and general funds	24,360	(140)	1,331	(8)	1,333	26,876
Diocesan miscellaneous trusts	9,892	(39)	16	(3)	553	10,419
Diocesan episcopal funds	4,271	(16)	-	-	238	4,493
Less: diocesan car loans	(450)	3	(10)	-	-	(457)
	167,176	(737)	2,534	78	8,569	177,620
Sundry trusts	45,068	(130)	(507)	-	1,834	46,265
General Synod funds	9,085	(29)	51	-	488	9,595
Trusts for retired clergy and spouses	3,776	(18)	(185)	-	156	3,729
	225,105	(914)	1,893	78	11,047	237,209

8 PARISH, DIOCESAN AND OTHER TRUST FUNDS (CONTINUED)

(b) PARISH, DIOCESAN AND OTHER FUNDS RESERVES

	2013 €'000	2012 €'000
Designated		
Diocesan stipend & general funds	4,928	6,599
Parish endowments	103	169
Miscellaneous diocesan trusts	353	318
General Synod trusts	24	57
Other trust funds	5,356	1,407
Clergy pensions & related funds	265	251
Trust creditors	347	354
	11,376	9,155
Undesignated		
Auxiliary and Sundry Projects Funds	881	717
Summary - reserves		
Designated	11,376	9,155
Undesignated	881	717
	12,257	9,872

(c) SUMMARY - PARISH, DIOCESAN AND OTHER TRUST FUNDS

	2013 €'000	2012 €'000
Capital funds invested	237,209	225,105
Designated and undesignated reserves	12,257	9,872
	249,466	234,977
Net receipts/(withdrawals)		
Capital receipts/(withdrawals) (8a)	1,893	(3,073)
Movement in reserves (8b)	2,385	616
	4,278	(2,457)

9 CASH FLOW RECONCILIATION

The Cash Flow Statements have been prepared in accordance with Financial Reporting Standard No 1 as required by the Financial Reporting Council.

Reconciliation of surplus of incoming resources before allocations and distributions to net cash inflow:

		2013			2012		
	Notes	RCB €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000	RCB €'000	General Funds €'000	Parish, Diocesan and Other Trust Funds €'000
Net incoming resources before allocations and distributions		-	3,446	9,841	-	3,817	10,128
Other recognised losses		(365)	365	-	325	(325)	-
Change in other debtors		17	(625)	-	(16)	338	-
Change in creditors		289	171	-	(29)	33	-
Change in financial instruments		-	3,317	-	-	-	-
Net amortisation of fixed assets	1	243	-	-	236	-	-
Net cash inflow		184	6,674	9,841	516	3,863	10,128

10 ANALYSIS OF CHANGES IN CASH DURING THE YEAR

	RCB	General Funds	Parish, Diocesan and Other Trust Funds	RCB	General Funds	Parish, Diocesan and Other Trust Funds
Net cash inflow/(outflow)	86	(62)	2,132	351	13,661	(1,800)
Effect of foreign exchange rate changes	-	(230)	(200)	-	116	271
Increase/(decrease) in cash	86	(292)	1,932	351	13,777	(1,529)

Balance at 1 January		883	22,042	34,266	532	8,265	35,795
Balance at 31 December	11	969	21,750	36,198	883	22,042	34,266

11 ANALYSIS OF CASH BALANCES

Cash on short term deposit		-	3,897	35,524	-	4,191	33,492
Due from bankers		969	-	-	883	-	9
Cash held by investment managers		-	17,853	674	-	17,851	765
	10	969	21,750	36,198	883	22,042	34,266

Cash held for Unit Trusts has been included in the 2013 year end balances.

12 RETIREMENT BENEFITS

(a) The Representative Body operates a contributory defined benefit pension scheme with assets held in a separately administered fund. The most recent triennial valuation was as at 1 January 2011 and is available for inspection by the scheme members. The scheme is closed to new members.

The 1 January 2011 valuation showed that the market value of the assets of the scheme was €7.626m which represented 64% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The figures for the year ending 31 December 2013 under FRS17 (and comparatives for 31 December 2012) show that the fair value of the assets of the scheme to be €9.68m (€8.73m), and that this represents 68% of the value of benefits that had accrued to members as at that date. The fair value of assets has improved by €0.95m (11%) during the year and the actual return on the plan assets was €0.77m during the year. The present value of scheme liabilities as calculated by the actuary under FRS17 has increased from €13.82m to €14.20m in 2013. As required by FRS17 the valuation was prepared using the 'projected unit cost' method.

Amongst the assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments, the discount rate and the actuarial changes in mortality projections. The discount rate, as set by FRS 17, is based on the market yield at the valuation date of high quality corporate bonds, and was set at 3.8% (3.9%).

The actuarial calculation of the amounts to be recognised in the Statement of Financial Activities is shown in Note 12c following. The current service cost and net finance cost are included in resources expended.

(b) Financial Reporting Standard 17 'Retirement Benefits' disclosures

The amounts recognised in the balance sheet are as follows:

	2013 €'000	2012 €'000
Present value of funded obligations	(14,197)	(13,815)
Fair value of plan assets	9,681	8,727
Pension liability in the balance sheet	(4,516)	(5,088)

12 RETIREMENT BENEFITS - CONTINUED

(c) **The amounts recognised in the Statement of Financial Activities are:**

	2013 €'000	2012 €'000
Interest cost	540	549
Expected return on plan assets	(451)	(475)
Net finance expense	89	74
Current service cost - included in costs of operations	217	174
	306	248

Actuarial gains/(losses)	2013 €'000	2012 €'000
Actual less expected return on scheme assets	315	439
Experience gains/(losses) on liabilities	257	(20)
Change in assumptions underlying the present value of the scheme liabilities	(257)	(2,451)
	315	(2,032)

The cumulative actuarial loss recognised up to and including the financial year ended 31 December 2013 is €5.94m.

(d) **Movement in Scheme Assets and Liabilities**	Pension Assets €'000	Pension Liabilities €'000	2013 Pension Deficit €'000	2012 Pension Deficit €'000
At 31 December 2012	8,727	(13,815)	(5,088)	(3,366)
Current service cost	-	(217)	(217)	(174)
Interest on scheme liabilities	-	(540)	(540)	(549)
Expected return on scheme assets	451	-	451	475
Actual less expected return on scheme assets	315	-	315	439
Experience gains on liabilities	-	257	257	(20)
Changes in assumptions	-	(257)	(257)	(2,451)
Benefits paid	(398)	398	-	-
Premiums paid	(33)	33	-	-
Contributions by plan participants	56	(56)	-	-
Employer contributions paid	563	-	563	558
At 31 December 2013	9,681	(14,197)	(4,516)	(5,088)
Note - actual return on plan assets			(766)	(914)

12 RETIREMENT BENEFITS - CONTINUED

(e) **Risks and rewards arising from the assets**

At 31 December 2013 the scheme assets were invested in a diversified portfolio that consisted primarily of equity and debt securities and properties. The fair values of the scheme assets as a percentage of total scheme assets and target allocations are set out below:

	2013	2012	2011
(as a percentage of total scheme assets)	%	%	%
Equities	53	75	73
Bonds	18	17	17
Property	4	4	4
Cash/Other	25	4	6

(f) **Basis of expected rate of return on scheme assets**

The fixed interest fund run by investment managers contains a mix of gilts and corporate bonds with different earnings potential. Thus a range of different assumptions has been used to estimate the expected return.

For equities and property, the long term rate of return is expected to exceed that of bonds by a margin, the "risk premium". In assessing the equity risk premium, past returns have been analysed giving a risk premium of 4.0% above the long term gilt yields, giving an assumed return of 6.9%. This is reduced to 6.15% after deduction of the pensions levy.

For property assets, the assumed rate of return is 4.4% (3.65% after deduction of the pensions levy) reflecting an expectation that property returns will not match equity returns in the future. Thus, the overall expected return on scheme assets at 31 December 2013 is 4.61% (2012: 5.12% after deduction of the pension levy).

(g) **The principal actuarial assumptions at the balance sheet date:**

	2013	2012
	%	%
Discount rate	3.80	3.90
Future salary increases	2.50	2.50
Future pension increases	2.00	2.00
Inflation rate	2.00	2.00

12 (g) RETIREMENT BENEFITS - CONTINUED

Assumptions regarding future mortality are set based on advice from published statistics and experience. The average life expectancy in years for a pensioner retiring aged 65 is as follows:

	2013	2012
Male	23.3	23.2
Female	24.8	24.5

Amounts for the current and previous four years are as follows:

	2013	2012	2011	2010	2009
Present value of the defined benefit obligation (€'000)	(14,197)	(13,815)	(10,975)	(10,869)	(9,113)
Fair value of plan assets (€'000)	9,681	8,727	7,609	7,674	6,861
Pension (deficit)/surplus (€'000)	(4,516)	(5,088)	(3,366)	(3,195)	(2,252)
Experience adjustments on plan liabilities as a percentage of scheme liabilities at the balance sheet date	2.0%	0.0%	6.71%	0.84%	2.8%
Experience adjustments on plan assets as a percentage of scheme assets at the balance sheet date	3.0%	5.0%	(11.55%)	5.3%	12.8%

13 SPECIAL PENSION CONTRIBUTIONS AND CHARGES

A special contribution of €5m was made in 2013 to support the solvency of the Church of Ireland Clergy Pensions Fund.

The movement in the Staff Pension Scheme amounting to €0.22m consists of €0.57m, being the reduction in the actuarially calculated deficit under FRS17 after charging a capital injection into the fund of €0.35m.

14 FINANCIAL RISK

The main risks to the Representative Church Body (RCB) relating to its holding of investments and other financial instruments are market price, foreign currency, interest rate, liquidity and credit risk.

(a) Market Price Risk

Market risk arises mainly from uncertainty about future prices of investments and other financial instruments held. It represents the potential loss the RCB might suffer through holding market positions in the face of price movements. The Investment Committee considers the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the RCB's investment objective.

(b) Foreign currency risk

A portion of the financial assets/net assets of the RCB is denominated in currencies other than Euro with the effect that the balance sheet and total return can be affected by currency movements. The RCB does not hedge against foreign currency risk.

The following sets out the RCB's total exposure to foreign currency risk.

	2013	2012
	Total	Total
Currency	€'000	€'000
Sterling	43,218	51,412
US Dollars	16,292	10,153
Swiss Francs	7,577	5,284
Swedish Krone	2,521	3,570
Norwegian Krone	2,399	2,240
Danish Krone	1,980	-
Hong Kong Dollars	1,810	1,348
Brasilian Real	754	-
Turkish Lira	-	891
Total of other currencies	2,355	5,342
	78,906	80,240

The rates of exchange used at 31 December 2013 for significant currency exposures.

Sterling	0.8302
US Dollars	1.3743
Swiss Francs	1.2274
Swedish Krone	8.8482
Norwegian Krone	8.3436
Danish Krone	7.4600

14 FINANCIAL RISK (CONTINUED)

(c) Interest Rate Risk

The RCB has interest bearing assets but does not have interest bearing liabilities. The financial assets of the RCB consist predominantly of equity shares.

The interest profile of the RCB's interest bearing financial assets at 31 December 2013 was:

	2013		2012	
	Total interest bearing €'000	Interest bearing at fixed rate €'000	Total interest bearing €'000	Interest bearing at fixed rate €'000
Sterling	15,036	15,036	14,303	14,303
Euro	32,376	32,376	28,625	20,697
Total	47,412	47,412	42,928	35,000

Fixed interest rate financial assets

	2013		2012	
	Weighted average interest rate %	Weighted average period for which rate is fixed (years)	Weighted average interest rate %	Weighted average period for which rate is fixed (years)
Sterling	4.49	13.38	8.89	14.58
Euro	4.65	9.47	5.25	5.24

(d) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The RCB invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

14 FINANCIAL RISK (CONTINUED)

(e) Credit Risk

The RCB will be exposed to a credit risk in relation to parties with whom it trades and will bear the risk of settlement default. The RCB minimises concentrations of credit risk by undertaking transactions with a number of brokers and counterparties on recognised and reputable exchanges.

APPENDIX A

Extract from the accounts of
THE CHURCH OF IRELAND THEOLOGICAL INSTITUTE

INCOME AND EXPENDITURE ACCOUNT
For the year ended 30 June 2013

	2013	2012
	€	€
Income		
Grants from General Synod	748,184	716,642
Divinity student fees	133,400	138,603
Receipts from guests and conference	76,521	57,626
Non-stipendiary ministry training	3,700	2,165
Clergy study courses	2,403	3,300
Interest	3	5
Foundation course	49,070	28,800
CME/lay training	82,955	63,175
Children's ministry	8,299	6,349
	1,104,535	1,016,665
Expenditure		
Academic expenses	480,021	414,777
Administration expenses	107,409	111,368
Operating expenses	305,700	278,706
Establishment expenses	218,779	219,946
	1,111,909	1,024,797
(Deficit) for the year	(7,374)	(8,132)
Balance at beginning of the year	(8,132)	5,002
Funding adjustment in respect of previous year deficit/(surplus)	8,132	(5,002)
Balance at the end of the year	(7,374)	(8,132)

Income and the deficit arose solely from continuing operations. There were no other recognised gains or losses other than those dealt with above. The deficit for the financial year ended 30 June 2013 will be funded by the Representative Church Body in the financial year ended 30 June 2014.

Extract from the accounts of
THE CHURCH OF IRELAND THEOLOGICAL INSTITUTE

BALANCE SHEET
As at 30 June 2013

	2013	2012
EMPLOYMENT OF CAPITAL	€	€
Fixed assets	-	6,432
Current assets		
Sundry debtors	49,264	86,837
Bank deposit accounts	6,018	9,370
Bank current accounts	18,142	34,979
Cash on hand	1	57
	73,425	131,243
Creditors – amounts falling due within one year	(74,659)	(137,450)
Net current liabilities	(1,234)	(6,207)
Total assets less current liabilities	(1,234)	225
Creditors – amounts falling due after more than one year	(5,944)	(7,569)
Net (liabilities)	(7,178)	(7,344)
Capital and trust funds		
Accumulated (deficit)	(7,374)	(8,132)
Ferrar Memorial Fund for Liturgical Library	25	65
Gregg Memorial Fund for College Library	171	723
	(7,178)	(7,344)

APPENDIX B

FUND PERFORMANCES – COMPARATIVE TOTAL RETURNS

	2013 %	**3 year annualised 2011-2013 %**	**5 year annualised 2009-2013 %**
General Funds			
General Funds (Combined)	14.2	10.8	13.0
Parochial, Diocesan Funds etc			
RB General Unit Trust (RI)	9.9	10.6	11.2
RB General Unit Trust (NI)	10.7	9.2	11.5
Market Averages			
FTSE Eurotop 100 (€)	*18.9*	*8.8*	*12.6*
S&P 500 (€)	*26.7*	*15.0*	*18.2*
Dow Jones EuroStoxx 50	*22.5*	*8.3*	*9.5*
FTSE 100 (£)	*18.8*	*8.7*	*13.0*
Merrill Lynch European Broad Market Bond Index	*2.3*	*5.5*	*5.1*
Merrill Lynch Sterling Broad Market Bond Index	*-2.6*	*5.4*	*5.6*
Merrill Lynch Irish Govt Bond Index	11.9	17.8	7.5

APPENDIX C

SOCIALLY RESPONSIBLE INVESTMENT

ANNUAL REVIEW AND REPORT OF THE INVESTMENT COMMITTEE TO THE REPRESENTATIVE CHURCH BODY

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 produces cluster munitions systems or manufactures pornographic products. In addition, investment is to be avoided in companies where a material share of revenue is derived from strategic military sales or the manufacture of tobacco products. (The term 'strategic' military sales is used to refer to products or services that are essential for military operations. Parts or services that are either not material to military capability, or are generic parts or services which are also widely used for non-military purposes are deemed to be 'non-strategic').

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.

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.

December 2013
(unchanged from previous year)

APPENDIX D

GENERAL UNIT TRUSTS

FINANCIAL STATEMENTS
AND
INVESTMENT MANAGER'S REPORTS

YEAR ENDED 30 JUNE 2013

Contents

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

FUND OBJECTIVE

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

MARKET REVIEW

- **Economic Backdrop**

  The period under review was characterised by stuttering developed world and decelerating emerging country growth. The ongoing Eurozone crisis and budgetary consolidation pushed much of Europe back into recession, while the US exhibited very modest growth as it delayed measures to correct its fiscal deficit. The resulting continued high levels of unemployment kept wages (and inflation) very much in check despite very loose monetary policy. In this regard the US Federal Reserve led with a multi-year commitment to zero interest rates and aggressive asset purchases financed with newly minted money (Quantitative Easing or QE). The Eurozone crisis was only brought under control once the ECB was forced to adopt its own version of QE, named Outright Monetary Transactions (OMT). This effectively gave periphery countries access to funding, but choreographed so as not to appear to be debt financing profligate governments. To date, this back-stop has not been utilised. The UK adopted the European budgetary consolidation together with a more US type of QE.

- **Equity Markets**

  Despite the poor economic backdrop described above, equity markets globally enjoyed very strong returns. The main two factors behind this performance were i) the base level of mid 2012 was relatively depressed due to the record high Euro periphery bond yields and associated dislocation in markets, and ii) the combined actions of global central banks flooding the markets with liquidity, with consequent asset price inflation. Underlying fundamentals (i.e. company earnings) were broadly in line with expectations with a decelerating trend emerging. European market performance was broadly in line with the US as the better domestic conditions in the latter were off-set by a recovery from oversold levels in the former. Emerging markets, notably China, lagged the US and Europe as doubts arose over the sustainability of the construction led nature of growth. In sectors Financials were strong as beneficiaries of monetary policy support while Basic Materials were hit by the unwinding of China's excesses.

- **Bond Markets**

  The actions of Central banks (setting short rates at close to zero and purchasing longer bonds in the market) had the obvious and desired effect of setting yet new record low 10 year bond yields (US 1.4%, Germany 1.2% and UK 1.4%). However,

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

the greater performance came from Euro periphery and corporate bonds as they recovered from distressed levels and then rallied further on the wave of liquidity and improving risk appetite. Notably, Irish government bonds, where yields peaked in the summer of 2011, continued to fall reaching 3.4% in May 2013 as reward for meeting its deficit targets and relative political stability. In June 2013 the US Federal Reserve articulated conditions under which it may slow down its bond purchase programme; the global bond bull market is now 32 years old.

PERFORMANCE

During the period under review the capital value of the Fund rose by 11.5% while the total return (capital and income) was 16.1%. This compares with the fund benchmark of 14.6%.

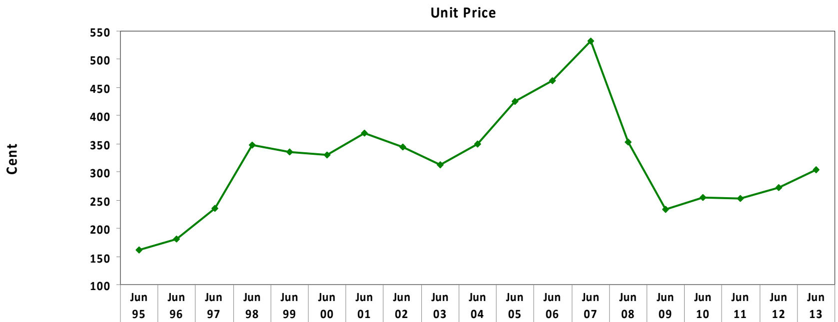
Annualised Total Returns (%):

	1 Year	**3 Years**	**5 Years**
RB General Unit Trust (RI)	16.1	10.8	1.7
Benchmark*	14.6	8.5	4.6
RB General Unit Trust (RI) Capital	11.5	6.1	-3.0
ROI Inflation (CPI)	0.7	1.7	-0.3

** Benchmark 70% FTSE Eurotop 100; 15% ML Eur All Bonds; 15% ML Irish Govt Bonds*

Note: for simplification purposes the current BM has been utilised across the 5 year period; the 5 year relative performance is negatively impacted by the fact that the portfolio historically contained a large weighting towards Irish Equities.

The historic price of a unit is detailed in the below chart.

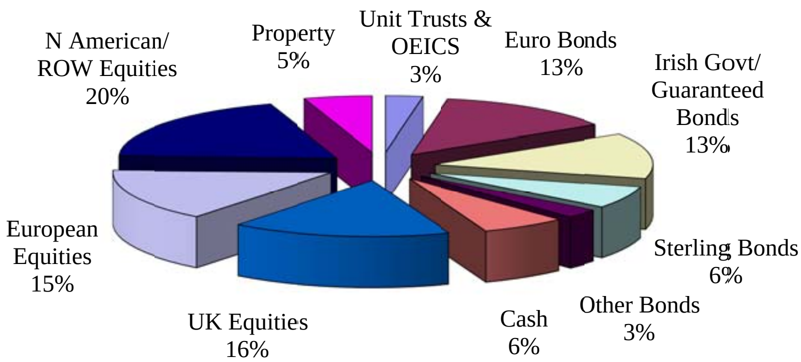


	Jun 95	Jun 96	Jun 97	Jun 98	Jun 99	Jun 00	Jun 01	Jun 02	Jun 03	Jun 04	Jun 05	Jun 06	Jun 07	Jun 08	Jun 09	Jun 10	Jun 11	Jun 12	Jun 13
Unit Price (Cent)	162.4	181.4	236.2	347.2	336.3	329.9	369.5	345.1	311.9	350.0	425.8	462.9	532.1	352.5	234.3	253.8	253.1	271.9	303.2

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

TRUST ASSET DISTRIBUTION

The investment profile in terms of distribution of the assets (by value) at 30 June 2013 is displayed in the following chart:



The market value of the investments, including the value of the capital deposit account was €159.004m. Of this figure, the value of euro denominated securities (including some international securities) plus cash held by the Trust was €116.993m (74% of the total Fund value).

The value of the UK holdings (denominated in sterling) including sterling cash was £35.928m (26% of the Fund). The closing EUR/GBP exchange rate was 0.8552 (2012: 0.8068).

The ten largest equity holdings at 30 June 2013 were:

	% of Fund		% of Fund
1. Fairfax Financial	2.1%	6. Johnson & Johnson	1.6%
2. Healthcare REIT	1.9%	7. Dragon Oil	1.6%
3. Kinder Morgan	1.8%	8. Intel	1.6%
4. Tesco	1.8%	9. E.On	1.5%
5. Royal Dutch Shell	1.7%	10. Fortum	1.5%

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

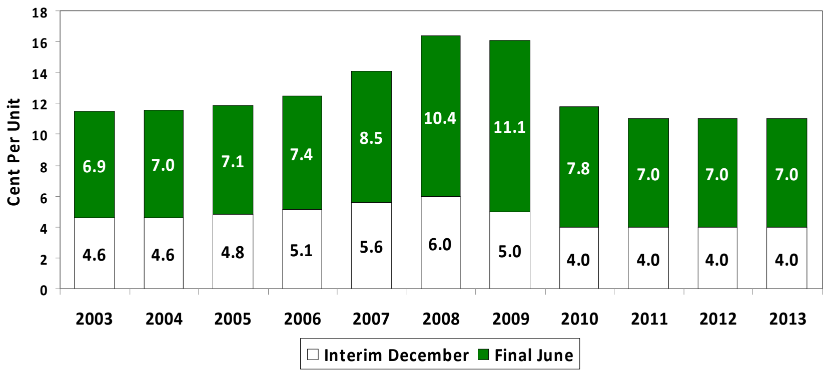
INCOME DISTRIBUTION TO UNIT HOLDERS

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

Moderate growth continued in dividends as corporate earnings remained resilient during the year and the Trust agreed to maintain its interim distribution at 4.0 cent and its final distribution at 7.0 cent. In addition, a sum of €0.741m was transferred to the Dividend Equalisation Reserve as at 30 June 2013 in line with the DER policy. The balance in the Reserve at the financial year end was €3.175m (2012: €2.434m).

Based on the value of a unit at 30 June 2013 of €3.03, and a full year distribution of 11.0 cent, the distribution yield was 3.63%. (The comparative figures for 30 June 2012 showed a yield of 4.04% based on a unit value then of €2.72 and a full year distribution of 11.0 cent).

Income Distributions (2003 - 2013) – Financial Year-End 30 June



FUND FLOWS

There were net inputs of €22,686 into the Fund for the twelve months to 30 June 2013, reflecting new cash of €412,301 less redemptions of €389,615.

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

OUTLOOK

With Europe as a whole mired in recessionary conditions and emerging market growth decelerating, not for the first time markets look to the US for leadership and support. In this regard, the US Federal Reserve is key as the US government has no fiscal ammunition due to the ongoing deficit problem. It is anticipated that further QE, expanding money supply, will take place. We know from the experience of the last three years that the impact on the real economy is relatively muted as it does little to improve real incomes or final demand. However, QE does tend to inflate asset prices (good for markets in the short term) and also generates some inflation, which is badly needed by the highly indebted economies (US, Europe and Japan).

For equity markets we are now over four years into a bull market. The argument for a further extension of this run is based on relative value (to cash and bonds) and better economic prospects as the Euro crisis settles down and credit growth resumes in the US (led by housing). Even though short term valuation of equities appears reasonable (Price Earnings (P/E) ratios and dividend yields) we prefer to focus on long term valuation measures such as cyclically adjusted PE's. These are now quite demanding, supported by record high profit margins that we believe are vulnerable to mean reversion. However, we have no foresight as to when this will happen and it may well be that equity prices are buoyed by artificially low bond yields for some considerable time. As our primary objective is to preserve capital in real terms, we hold a 54% exposure to equities at 30 June (down from 62% in 2012), within a permitted range of 50% to 90% that may be reduced further should markets advance aggressively.

In regard to fixed income investments, clearly prices are artificially high (yields artificially low) in core sovereign markets due to the intervention of central banks. Yields of sub 2% can only make sense if deflation takes hold, in which case default risk would enter into the equation as debt burdens would reach unsustainable levels. On the other hand, if inflation were to stir, then all fixed income bonds would be at risk of capital loss. In this environment we believe an active policy of reducing risk during periods of calm and buying higher yielding assets during periods of instability is still appropriate.

The relative valuation and high yield of commercial property has led us to upgrade our desired exposure with an intention to rise to 7/8% within an overall limit of 10%.

Due to the long term risks of inflation eventually taking hold, as witnessed in previous episodes of monetary expansion, the fund will continue to hold the majority of its capital in real assets. The fund continues to observe a Socially Responsible Investment policy.

Roy Asher
Head of Investments
22 July 2013

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)

STATEMENT OF TOTAL RETURN YEAR ENDED 30 JUNE 2013

	30-Jun-13 €'000	30-Jun-12 €'000
Income	6,862	6,798
Expenses	(23)	(27)
Net income	6,839	6,771
Distributions	(6,098)	(6,109)
Transfer to dividend equalisation reserve	741	662
Net gains / (losses) on investment activities		
- Net realised gains/(losses)	11,845	(1,841)
- Net change in unrealised gains on investments	6,889	5,146
- Net change in currency exchange (losses)/gains	(2,366)	6,617
Net increase in net assets from investment activities	17,109	10,584
Funds brought forward	145,050	135,054
Proceeds from units issued	412	904
Cost of units redeemed	(390)	(1,492)
Funds carried forward	162,181	145,050

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

Date: 16 October 2013

THE RB GENERAL UNIT TRUST (REPUBLIC OF IRELAND)
BALANCE SHEET AS AT 30 JUNE 2013

	30-Jun-13 €'000	30-Jun-12 €'000
Investments	159,155	142,614
Current assets		
Debtors	3,250	2,580
	3,250	2,580
Current liabilities		
Financial instruments	151	-
Creditors (amounts falling due within one year)	73	144
	224	144
Net current assets	3,026	2,436
Total assets	162,181	145,050
Trust capital fund	162,181	145,050

Signed on behalf of the Trustee: *RS Neill*
HJ Saville
Date: 16 October 2013

THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

FUND OBJECTIVE

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

MARKET REVIEW

- **Economic Backdrop**

  The period under review was characterised by stuttering developed world and decelerating emerging country growth. The ongoing Eurozone crisis and budgetary consolidation pushed much of Europe back into recession, while the US exhibited very modest growth as it delayed measures to correct its fiscal deficit. The resulting continued high levels of unemployment kept wages (and inflation) very much in check despite very loose monetary policy. In this regard the US Federal Reserve led with a multi-year commitment to zero interest rates and aggressive asset purchases financed with newly minted money (Quantitative Easing or QE). The Eurozone crisis was only brought under control once the ECB was forced to adopt its own version of QE, named Outright Monetary Transactions (OMT). This effectively gave periphery countries access to funding, but choreographed so as not to appear to be debt financing profligate governments. To date, this back-stop has not been utilised. The UK adopted the European budgetary consolidation together with a more US type of QE.

- **Equity Markets**

  Despite the poor economic backdrop described above, equity markets globally enjoyed very strong returns. The main two factors behind this performance were i) the base level of mid 2012 was relatively depressed due to the record high Euro periphery bond yields and associated dislocation in markets, and ii) the combined actions of global central banks flooding the markets with liquidity, with consequent asset price inflation. Underlying fundamentals (i.e. company earnings) were broadly in line with expectations with a decelerating trend emerging. European market performance was broadly in line with the US as the better domestic conditions in the latter were off-set by a recovery from oversold levels in the former. Emerging markets, notably China, lagged the US and Europe as doubts arose over the sustainability of the construction led nature of growth. In sectors, Financials were strong as beneficiaries of monetary policy support while Basic Materials were hit by the unwinding of China's excesses.

- **Bond Markets**

  The actions of Central banks (setting short rates at close to zero and purchasing longer bonds in the market) had the obvious and desired effect of setting yet new record low 10 year bond yields (US 1.4%, Germany 1.2% and UK 1.4%). However,

THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

the greater performance came from Euro periphery and corporate bonds as they recovered from distressed levels and then rallied further on the wave of liquidity and improving risk appetite. Notably, Irish government bonds, where yields peaked in the summer of 2011, continued to fall reaching 3.4% in May 2013 as a reward for meeting its deficit targets and relative political stability. In June 2013 the US Federal Reserve articulated conditions under which it may slow down its bond purchase programme; the global bond bull market is now 32 years old.

PERFORMANCE

During the period under review the capital value of the Fund rose by 14.0% while the total return (capital and income) was +19.1%. This compares with the fund benchmark of 13.3%.

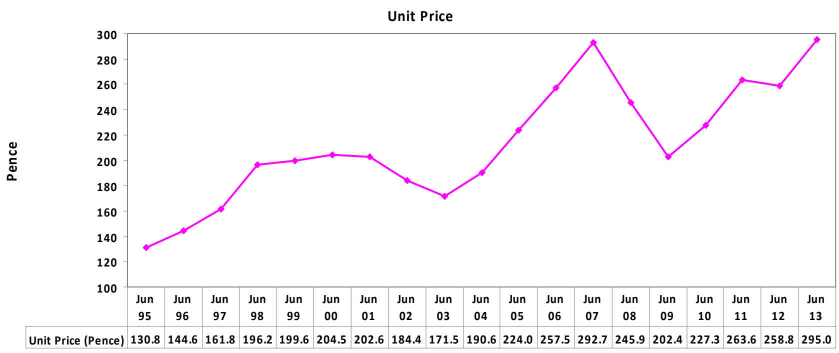
Annualised Total Returns (%):

	1 Year	**3 Years**	**5 Years**
RB General Unit Trust (NI)	19.1	13.8	8.4
Benchmark*	13.3	9.9	6.3
RB General Unit Trust (NI) Capital	14.0	9.1	3.7
UK Inflation (CPI)	2.9	3.2	2.9

** Benchmark 35% Eurotop 100 (GBP); 35% FTSE 100; 30% ML UK all Bonds*

Note: for simplification purposes the current BM has been utilised across the 5 year period; historically the portfolio had a higher weighting towards UK equities.

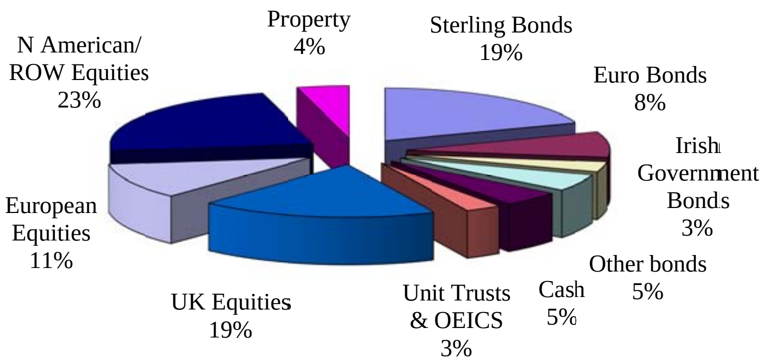
The historic unit price is detailed in the below chart.



THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

TRUST ASSET DISTRIBUTION

The investment profile in terms of distribution of the assets (by value) at 30 June 2013 is displayed in the following chart:



The market value of the investments, including the value of the capital deposit account was £40,331,037. Of this figure, the value of sterling denominated securities (including some international securities) plus cash held by the Trust was £19,190,543 (48% of the total Fund value).

The value of the European and/or international holdings (denominated in euro) including euro cash was €24,719,942 (52% of the Fund). The closing EUR/GBP exchange rate was 0.8552 (2012: 0.8068).

The ten largest equity holdings at 30 June 2013 were:

	% of Fund		% of Fund
1. Fairfax Financial	2.1	6. Teliasonera	1.6
2. Unilever	2.0	7. Royal Dutch Shell	1.6
3. Kinder Morgan	2.0	8. Tesco	1.6
4. Healthcare REIT	1.9	9. Yara	1.6
5. Fortum	1.8	10. Dragon Oil	1.6

THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

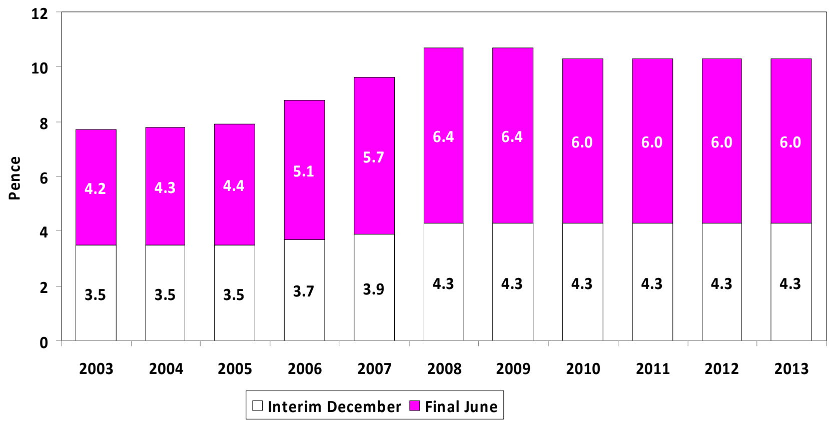
INCOME DISTRIBUTION TO UNIT HOLDERS

The Dividend Reserve policy targets a level of 2% of Fund value and will not be allowed to exceed 4% of Fund value. In addition, at least 80% of net income in any individual year will be distributed to unit holders. A healthy Reserve aids the management of a stable and sustainable distribution going forward.

Moderate growth continued in dividends as corporate earnings remained resilient during the year and the Trust agreed to maintain its interim distribution at 4.3 pence and its final distribution at 6.0 pence. In addition, a sum of £0.332m was transferred to the Dividend Equalisation Reserve as at 30 June 2013 in line with the DER policy. The balance in the Reserve at the financial year end was £0.680m (2012: £0.348m).

Based on the value of a unit at 30 June 2013 of £2.95, and a full year distribution of 10.3 pence, the distribution yield was 3.49%. (The comparative figures for 30 June 2012 showed a yield of 3.98% based on a unit value then of £2.588 and a full year distribution of 10.3 pence).

Income Distributions (2003 – 2013) - Financial Year-End 30 June



INPUTS INTO FUND

There were net inputs of £385,729 into the Fund for the twelve months, reflecting new cash of £444,867 less redemptions of £59,138.

THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
INVESTMENT MANAGER'S REPORT
YEAR ENDED 30 JUNE 2013

OUTLOOK

With Europe as a whole mired in recessionary conditions and emerging market growth decelerating, not for the first time markets look to the US for leadership and support. In this regard, the US Federal Reserve is key as the US government has no fiscal ammunition due to the ongoing deficit problem. It is anticipated that further QE, expanding money supply, will take place. We know from the experience of the last three years that the impact on the real economy is relatively muted as it does little to improve real incomes or final demand. However, QE does tend to inflate asset prices (good for markets in the short term) and also generates some inflation, which is badly needed by the highly indebted economies (US, Europe and Japan).

For equity markets we are now over four years into a bull market. The argument for a further extension of this run is based on relative value (to cash and bonds) and better economic prospects as the Euro crisis settles down and credit growth resumes in the US (led by housing). Even though short term valuation of equities appears reasonable (Price Earnings (P/E) ratios and dividend yields) we prefer to focus on long term valuation measures such as cyclically adjusted PE's. These are now quite demanding, supported by record high profit margins that we believe are vulnerable to mean reversion.

However, we have no foresight as to when this will happen and it may well be that equity prices are buoyed by artificially low bond yields for some considerable time. As our primary objective is to preserve capital in real terms, we currently hold a 57% exposure to equities, within a permitted range of 50% to 90% that may be reduced further should markets advance aggressively.

In regard to fixed income investments, clearly prices are artificially high (yields artificially low) in core sovereign markets due to the intervention of central banks. Yields of sub 2% can only make sense if deflation takes hold, in which case default risk would enter into the equation as debt burdens would reach unsustainable levels. On the other hand, if inflation were to stir, then all fixed income bonds would be at risk of capital loss. In this environment we believe an active policy of reducing risk during periods of calm and buying higher yielding assets during periods of instability is still appropriate.

The relative valuation and high yield of commercial property has led us to upgrade our desired exposure with an intention to rise to 7/8% within an overall limit of 10%.

Due to the long term risks of inflation eventually taking hold, as witnessed in previous episodes of monetary expansion, the fund will continue to hold the majority of its capital in real assets. The fund continues to observe a Socially Responsible Investment policy.

Roy Asher
Head of Investments
22 July 2013

THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
STATEMENT OF TOTAL RETURN YEAR ENDED 30 JUNE 2013

	30-Jun-13	30-Jun-12
	£	£
Income	1,819	1,625
Expenses	(8)	(7)
Net income	1,811	1,618
Distributions	(1,478)	(1,471)
Transfer to dividend equalisation reserve	333	147
Net gains / (losses) on investment activities		
- Net realised gains	4,065	4,700
- Unrealised (losses) on investments	(46)	(5,146)
- Unrealised exchange gains/(losses) on currency movements	896	(211)
Net increase/(decrease) in net assets from investment activities	5,248	(510)
Funds brought forward	35,377	36,194
Procceeds from units issued	445	618
Cost of units issued	(59)	(925)
Funds carried forward	41,011	35,377

Signed on behalf of the Trustee: *RS Neill*
HJ Saville
Date: 16 October 2013

THE RB GENERAL UNIT TRUST (NORTHERN IRELAND)
BALANCE SHEET AS AT 30 JUNE 2013

	30-Jun-13 £'000	30-Jun-12 £'000
Investments	40,394	35,030
Current assets		
Debtors	686	366
	686	366
Current liabilities		
Financial instruments	63	-
Creditors (amounts falling due within 1 year)	6	19
	69	19
Net current assets	617	347
Total fund net assets	41,011	35,377
Trust capital fund	41,011	35,377

Signed on behalf of the Trustee: *RS Neill*
HJ Saville
Date: 16 October 2013

APPENDIX E

THE REPRESENTATIVE CHURCH BODY ("RCB")

STATEMENT OF INVESTMENT POLICY PRINCIPLES FOR IN-HOUSE FUNDS

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 General Funds of the RCB. The General Funds of the RCB are intended for the needs of the Church as determined by the General Synod from time to time. 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.

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

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

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 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.

November 2012

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.

An amendment was made to the Statement in November 2012 to clarify the wording on the use of General Funds.

APPENDIX F

CHANGES TO CLERGY PENSIONS AS APPROVED BY THE GENERAL SYNOD 2013

The General Synod in 2013 approved a number of changes to clergy pension arrangements with the objective of restoring the Clergy Pensions Fund (CPF) to solvency and making proper pension provision in relation to future service of clergy.

Reasons for the changes:

- €45m deficit in the CPF defined benefit scheme, forecast to increase to €65m
- Deficit caused primarily by:
  - historically very low interest rates, impacting on valuation of scheme liabilities
  - rapidly improving pensioner survival rates
  - new regulatory requirements to hold excess assets as 'risk reserves'
- Despite special funding from the RCB (€25m over five years), member and parish contributions forecast to increase very significantly to sustain the CPF

Aims of the changes:

- To restore the CPF to solvency
- To underwrite clergy pensions in payment and earned to date
- To stem growth in the funding deficit and in contribution rates
- To make proper provision for clergy pensions for the future

Changes approved and policy adopted:

- CPF closed to new entrants and to future accrual of benefits as at 31 May 2013
- Funding of the CPF a responsibility of the whole Church:
  - levy on dioceses and recognised offices
  - special funding from the RCB
- New defined contribution pension schemes set up to provide for future benefits
- Gradual increase in Normal Retirement Age to 68 years
- No discretionary increases to pensions in payment or Pensionable Stipend during funding proposal period unless Actuary confirms it will not impede progress toward solvency

Since General Synod 2013:

- Funding proposal for the CPF submitted to and approved by the regulator
- Independent trustees appointed for new defined contribution schemes (NI and RI)

APPENDIX G

THE CHURCH OF IRELAND

CLERGY PENSIONS TRUSTEE LIMITED

REPORT ON THE CLERGY PENSIONS FUND

FOR THE

YEAR ENDED 31 DECEMBER 2013

CONTENTS

ANNEXES

THE TRUSTEE AND ITS ADVISORS

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

* Until 31 December 2013 (replaced by Mr Liam Quigley from 1 January 2014)
† Renamed The Pensions Authority *(An tÚdarás Pinsean)* with effect from 7 March 2014

INTRODUCTION

The Trustee presents the annual report on the operation of the Clergy Pensions Fund for the year ended 31 December 2013. 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.

MAIN POINTS

This report relates to the Church of Ireland Clergy Pensions Fund for the year ended 31 December 2013 and its purpose is to set out essential information on the financial position of the Fund, its investment performance over the year and other relevant matters that occurred during the year.

Changes to the Fund - Changes to the Fund proposed by the Sponsor of the Fund, the Representative Church Body, were set out in the report of the Trustee for the year 2012. The Sponsor sought the changes as a consequence of its view that the increasing financial uncertainty involved in continuing to operate a defined benefit pension arrangement exposed the Church to an unsustainable degree of risk. These proposals were brought by the Sponsor to General Synod in 2013 where they were adopted and subsequently implemented. A summary of the proposals as approved by the General Synod 2013 is set out in Appendix F to the Report of the Representative Body (page 117).

These changes involved the closure of the Fund to new members and to future accruals of service as at 31 May 2013, and the introduction of a gradual increase in Normal Retirement Age to 68 years. In addition, no increase in Pensionable Stipend or discretionary increase in pensions in payment by the Fund is to be made unless it can be confirmed by the Actuary that such increase will not compromise the progression of the plans to restore the solvency of the Fund.

The detail of the changes was set out for members and pensioners in correspondence from the Trustee and from the Sponsor prior to and following General Synod.

In June 2013 the Trustee, via the Scheme Actuary, submitted a Funding Proposal to the regulator, *An Bord Pinsean*. The Funding Proposal set out plans to bring the Fund back to full solvency over the 10 year period to 2023, and included the changes as adopted by General Synod. The Funding Proposal also included revenue to be raised through the introduction of a levy of 13% of Minimum Approved Stipend, to be collected through the dioceses, based on numbers of cures and approved offices. This, together with the completion of an undertaking by the RCB to transfer capital assets to the value of €25m to the Fund, was calculated by the Actuary to be capable of bringing the Fund back to solvency over the 10 year period.

The Funding Proposal was accepted by the Regulator and approved as being robust and credible. The Trustee will continue its responsibility to ensure that the pensions in payment and accrued benefits of members will be administered according to the rules of Chapter XIV (as amended by General Synod from time to time) and applicable pensions and other legislation.

Pension benefits relating to future clergy service, as from 1 June 2013, will be provided through defined contribution schemes established in Northern Ireland and in the Republic of Ireland. Independent professional trustees have been appointed to safeguard the interests of the members of these new schemes.

The performance of the Fund in 2013 - In the year the invested assets of the Fund grew by €13.5m to a value of €140.7m at 31 December 2013. Part of this growth was due to an additional special contribution of €5m which was added to the capital of the Fund by the Representative Church Body as Sponsor, such capital injections amounting to €20m in the years 2010 to 2013. In the year there was a positive return on assets, before withdrawals and capital injections, of 10.2%.

The Fund investment report is set out on page 127.

The contributions received into the Fund are reduced by €2.0m year on year as they reflect the redirection of clergy pension deductions and a portion of diocesan and parochial contributions into the new Defined Contribution schemes as from 1 June 2013.

In 2013 the benefits payable and expenses of the Clergy Pensions Fund (at €8.0m) exceeded contributions from members and parishes (€3.2m) by €4.8m.

Investment strategy - The Trustee, in consultation with the Sponsor, is responsible for the development of an appropriate investment strategy for the Fund. The investment strategy now in place takes into account the status of the Fund as closed to new members and to future accruals of service. The strategy enables a gradual and managed movement towards close matching of the liabilities of the Fund with appropriate invested assets, thus reducing exposure to volatility. The strategy, as submitted in the Funding Proposal, and its implementation, are monitored by the Trustee and by *An Bord Pinsean*.

Government levy on pensions (Republic of Ireland) - A levy, or tax, on the assets of pension funds was introduced in 2011 by the Irish Government, and was to be in place for the four years to 2014. The levy was set at 0.6% of relevant asset value. The charges for 2011 and 2012 were paid from the assets of the Fund, and amounted to €320,000 and €342,000 respectively.

As notified in correspondence to members and pensioners, the view of the Sponsor was that the cost of the tax for 2013 and 2014 should be borne by the members based in the Republic of Ireland, and this was agreed by the Trustee. In 2013 the impact on benefit is a reduction of 0.49%, and that reduction was effected as at 1 January 2014. The impact on benefit of the tax due in 2014 will be calculated as at 1 July 2014.

In October 2013, the Government in the Republic of Ireland announced a new levy on pension assets at a rate of 0.15%. This is to be introduced in 2014, when it will run concurrently with the final year of the previous 0.6% levy, and is set to continue into 2015. No advice is currently available as to its future after 2015. The Trustee will consult with the Sponsor about the treatment of such a levy when the detail of its purpose and future longevity is clarified.

AVC Fund - The report on the AVC Fund for 2013 is contained in the report from the Church of Ireland Pensions Board, set out in Annex 1 to this report (see page 149).

Duties - The Trustee is pleased to report that the Fund has been administered in accordance with all regulatory requirements during the year. Under the structures established in 2011 various duties in relation to the operation of the Fund were carried out during 2013 by the RCB administration department, the Church of Ireland Pensions Board and the RCB Investment Committee. We wish to thank each of these for their assistance and support to the Trustee in its management of the Fund.

Finally we take this opportunity to thank the staff in Church House for their dedication and hard work on behalf of the Trustee and the Fund during the past year.

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 Chapter XIV, the Church of Ireland Clergy Pensions Trustee Limited has acted as Trustee of the Clergy Pensions Fund since 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 Directors' term of office was renewed for a further three years in December 2013. 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 by the Fund 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 2013 there were 436 active members (2012: 464) and 280 pensioners (2012: 271). In addition there were 205 surviving spouses on pension (2012: 206) and 97 members with entitlement to deferred benefits (2012: 89).

The age profile of contributing members shows 11% under age 40 years and 60% over age 50 years.

The Fund was closed to new members and to future accruals of pensionable service on 31 May 2013.

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 €6.9m was paid out in pension benefits (2012: €6.9m). 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 148).

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 2014.

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 2013 was 2.7%; accordingly, on 1 January 2014 under (i) above a 2.7% 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 re-valued 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.

Pensionable Stipend is used to calculate the value of pension benefits payable.

It was agreed by the Standing Committee in September 2013 on the recommendation of the RCB and the Trustee that Pensionable Stipend levels with effect from 1 January 2014 should remain unchanged from 2013 at £25,498 per annum in Northern Ireland and €36,219 per annum in the Republic of Ireland.

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 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 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 and the Church to meet this commitment.

The full risk statement can be found in Annex 2 to this report (page 153).

FINANCIAL POSITION OF THE FUND

The Fund increased in value by €13.5m, 10.6%, to €140.6m in the year ended 31 December 2013, having met all benefits and accounted for contributions received. This result was achieved by a combination of investment performance, in which assets grew by 10.2% (2012: 15.5%), and a further capital injection by the Sponsor of €5m in the year, bringing to €20m the value of such capital introduced in the four years 2010 to 2013. The balance of outlays from benefit payments and expenses over inflows from contributions reduced the Fund by €4.76m.

The development of the Fund is monitored by the Actuary and a full valuation is carried out at intervals of not more than three years. The last completed Triennial Valuation was as at 30 September 2012.

The Triennial Valuation as at 30 September 2012 was completed prior to 30 June 2013 and took due account of decisions taken at General Synod 2013 in relation to the proposals for changes to the Fund brought forward by the Sponsor. The results of the Valuation showed that the Fund did not satisfy the statutory Minimum Funding Standard under Section 44 of the Pensions Act. Accordingly, the Actuarial Certificate as at 31 December 2013 states that the Actuary is not satisfied that the Fund would have met the Minimum Funding Standard as set out under Section 44 of the Act, as at that date.

This situation applies nowadays to most defined benefit pension schemes. As required by the regulations, the Funding Proposal required to meet the Minimum Funding Standard was lodged with *An Bord Pinsean* before the end of June 2013, and was subsequently accepted by the regulator.

A copy of the Actuarial Funding Certificate and Funding Standard Reserve Certificate as submitted to *An Bord Pinsean* is included as Annex 3 to this report (page 155) and a copy of the Actuarial Certificate as at 31 December 2013 is included as Annex 4 (page 158).

INVESTMENT APPROACH

The investment objectives of the Fund are to optimise returns through diversified portfolios of fixed interest, equity, property and cash holdings, having regard to liability constraints, cash flow needs and interest rate and currency movements. The Trustee reviews investment objectives to ensure that they remain appropriate to the profile of the Fund.

The investment policy for the management of the assets of the Fund is set out in a Statement of Investment Policy Principles (SIPP) and this can be found at Annex 5 (page

159). Following the closure of the Fund to new members and to future benefit accrual agreed at General Synod 2013 a revised investment strategy was adopted by the Trustee in consultation with the Sponsor and having taken expert investment and actuarial advice.

Investment management of the equity and fixed interest elements of the Clergy Pensions Fund was entrusted to Irish Life Investment Managers with effect from 24 January 2008. Property and other investments are managed by other managers. The asset distribution as at 31 December 2013 is shown overleaf.

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 2013 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 2013, 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 2014*, page 94).

INVESTMENT REPORT

Investment Performance

A report from Irish Life Investment Managers (ILIM), including a review of investment markets in 2013 and expectations for 2014, is included in Annex 6 to this report (page 164). The equities and fixed interest bonds in the Fund are managed by ILIM on an indexed (passive) basis replicating the performance of particular indices. Certain equities are excluded on socially responsible investing (SRI) grounds.

The composite return for the Fund for the 12 months to 31 December 2013 was 10.2% (2012: 15.5%).

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

Asset Valuation	**31 Dec 2013 €'000**	**31 Dec 2012 €'000**
ILIM Irish Fund	63,199	57,887
ILIM UK Fund	62,919	58,456
Property	11,016	171
10% Bank of Ireland 30/07/2016	2,226	-
Cash	1,229	10,375
	140,589	**126,889**

Asset Distribution	Country	31 Dec 2013 %	31 Dec 2012 %
Equity	Europe	15.7	19.7
	UK	14.9	18.2
	US / Rest of World	19.9	18.8
Equity Total		**50.5**	**56.7**
Fixed Interest	Europe	19.8	17.5
	UK	19.4	17.5
Fixed Interest Total		**39.2**	**35.0**
Property Total		**7.8**	**0.1**
10% Bank of Ireland 30/07/2016		**1.6**	**-**
Cash		**0.9**	**8.2**
Grand Total		**100.0%**	**100.0%**

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 2013. 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.

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 166).

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.

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, 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 or from the Pensions Administration Manager.

FINANCIAL STATEMENTS

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

THE CHURCH OF IRELAND CLERGY PENSIONS FUND

FINANCIAL STATEMENTS – PAGE 1

YEAR ENDED 31 DECEMBER 2013

CONTENTS

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
One Spencer Dock
North Wall Quay
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 the 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.

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Independent Auditors' Report to the Trustee of the Church of Ireland Clergy Pensions Fund

We have audited the financial statements of the Church of Ireland Clergy Pensions Fund for the year ended 31 December 2013 which comprise the Fund Account, The Statement of Net Assets, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is Irish pension law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective responsibilities of trustee and auditors

As explained more fully in the Statement of Trustee's Responsibilities set out on page 4, the trustee is responsible for the preparation of the financial statements showing a true and fair view, and for ensuring that contributions are made to the scheme in accordance with the scheme's rules and the recommendation of the actuary. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish pension law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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 these 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the scheme's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the scheme during the year ended 31 December 2013 and of the amount and disposition of its assets and liabilities (other than liabilities to pay pensions and other benefits in the future) at that date; and
- have been prepared in accordance with Generally Accepted Accounting Practice in Ireland.

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Opinions on other matters prescribed by the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006

In our opinion:

- the financial statements include the information specified in Schedule A to the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 which is applicable and material to the scheme;
- the contributions payable to the scheme during the year ended 31 December 2013 have been received by the trustee within thirty days of the end of the scheme year; and
- such contributions have been paid in accordance with the rules of the scheme and the recommendation of the actuary.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Dublin

18 March 2014

THE CHURCH OF IRELAND CLERGY PENSIONS FUND
ACCOUNTING POLICIES **PAGE 7**

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. (2013 €1 = £0.8302; 2012 €1 = £0.8161).

(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.

(vii) Contributions

Normal contributions, both from the members and from the dioceses/parishes, are accounted for on an accruals basis in the month employee contributions are deducted from the payroll. 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.

(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 CHURCH OF IRELAND CLERGY PENSIONS FUND

FUND ACCOUNT **YEAR ENDED 31 DECEMBER 2013**

FINANCIAL STATEMENTS **PAGE 9**

CONSOLIDATED FUND

	Notes	2013	2012
		€'000	€'000
CONTRIBUTIONS AND OTHER RECEIPTS			
Contributions receivable	3	3,204	5,207
Special contribution	4	5,000	5,000
		8,204	10,207
BENEFITS AND OTHER PAYMENTS			
Benefits payable	5	7,445	7,434
Administrative expenses		138	177
Pension Levy		384	342
		7,967	7,953
NET ADDITIONS		237	2,254
RETURNS ON INVESTMENTS			
Investment Income	6	577	95
Realised and unrealised investment gains		12,768	16,602
Currency translation adjustment		62	(8)
Investment management expenses		(111)	(96)
NET RETURNS ON INVESTMENTS		13,296	16,593
NET INCREASE IN FUND IN THE YEAR		13,533	18,847
BALANCE 1 JANUARY		127,130	108,283
BALANCE 31 DECEMBER		140,663	127,130

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

Signed on behalf of the Trustee: *JW Wallace*
DG Perrin

Date: *10 March 2014*

THE CHURCH OF IRELAND CLERGY PENSIONS FUND

STATEMENT OF NET ASSETS **YEAR ENDED 31 DECEMBER 2013**

FINANCIAL STATEMENTS **PAGE 10**

CONSOLIDATED FUND

	Notes	2013 €'000	2012 €'000
INVESTMENT ASSETS	7	140,589	126,889
CURRENT ASSETS			
Amounts due from the Representative Church Body		74	241
CURRENT LIABILITIES			
Creditors		-	-
NET CURRENT ASSETS		74	241
NET ASSETS		140,663	127,130

Signed on behalf of the Trustee: *JW Wallace*
DG Perrin

Date: *10 March 2014*

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 financial 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 takes account of such obligations, is dealt with in the Trustee's report, the actuarial funding certificate and the actuary's annual certifiate within this report, and these financial statements should be read in conjunction with them.

3 SUMMARY OF CONTRIBUTIONS RECEIVABLE

	2013 €'000	2012 €'000
Members - normal	534	1,245
Members - additional personal	59	156
Dioceses	1,298	3,132
Diocesan levies	867	-
Representative Church Body	446	674
Total	3,204	5,207

The value of Northern Ireland contributions in sterling is £1.403m (2012: £2.170m) and was translated to Euro at the year end rate of 0.8302 (2012: 0.8161).

The value of Republic of Ireland contributions is €1.514m (2012: €2.549m).

4 SPECIAL CONTRIBUTION

The Representative Church Body during 2013 made a capital contribution of €5m to the Clergy Pensions Fund.

5 BENEFITS PAYABLE

	2013 €'000	2012 €'000
Pensions to retired bishops and clergy	4,364	4,289
Pensions to surviving spouses and orphans	2,515	2,585
Commutation of pensions	297	398
Death benefits	269	162
Total	7,445	7,434

The cost of Northern Ireland benefits in Sterling is £3.424m (2012: £3.531m) and was translated to Euro at the year end rate of 0.8302 (2012: 0.8161).

The cost of Republic of Ireland benefits in Euro is €3.321m (2012: €3.108m). This cost excludes administration charges and the pension levy.

6 ANALYSIS OF INVESTMENT INCOME

	2013 €'000	2012 €'000
Investment income	538	63
Interest	38	31
Miscellaneous trust income	1	1
Total	577	95

The investment income above is the dividend paid directly to the Clergy Pensions Fund by the Irish Property Unit Trust (IPUT). The balance of the funds is mostly held in a unitised fund passively managed by ILIM. The income on these funds is reinvested in the fund and is not separately reported.

THE CHURCH OF IRELAND CLERGY PENSIONS FUND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

	Market Value 2013 €'000	Market Value 2012 €'000
7 (a) INVESTED ASSETS		
Equities		
UK	20,965	23,136
Europe ex UK	22,048	24,987
Global	27,915	23,860
Bonds		
European	27,878	22,223
UK	27,312	22,127
Cash with Fund Managers	-	2,374
	126,118	118,707
Other		
Irish Property Unit Trust	11,016	171
Bank of Ireland 10% 30/07/2016	2,226	-
Cash on deposit	1,229	8,001
	14,471	8,172
	140,589	126,879

(b) The portion of the fund managed by ILIM (€126,118 or 90%) tracks various published indices on a passively managed basis. As at 31 December 2013, the allocation over the ILIM indices is as follows:

	Weighting 2013	Weighting 2012
FTSE All World Series Developed Europe Ex UK	22.8%	27.4%
FTSE All World Series UK	20.1%	23.5%
S & P Global 100	12.6%	11.5%
Merrill Lynch EMU Govt > 10 Year	31.8%	27.1%
Non Gilt A Rated Broad Index	11.2%	9.9%
Fixed Interest - Rest of World	1.5%	0.6%

8 CONTINGENT LIABILITIES

As stated in the accounting policies on page 7 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 2013.

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 Sponsor.

10 RELATED PARTY TRANSACTION

(a) The Trustee: The Trustee of the Fund is as 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. 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 most of 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 15**

	2013 €'000	2012 €'000
11 SUB DIVISIONS		
REPUBLIC OF IRELAND		
Contributions	1,514	2,549
Special contribution	2,485	2,485
Net benefits and other payments	(3,839)	(3,625)
Net transfer between sub divisions	238	(998)
Net additions	398	411
Net returns on investments	6,770	8,475
Balance 1 January	63,266	54,380
	70,434	63,266
NORTHERN IRELAND		
Contributions	1,690	2,658
Special contribution	2,515	2,515
Net benefits and other payments	(4,128)	(4,328)
Net transfer between sub divisions	(238)	998
Net additions	(161)	1,843
Net returns on investments	6,526	8,118
Balance 1 January	63,864	53,903
	70,229	63,864
CONSOLIDATED FUND		
Contributions	3,204	5,207
Special contribution	5,000	5,000
Net benefits and other payments	(7,967)	(7,953)
Net additions	237	2,254
Net returns on investments	13,296	16,593
Balance 1 January	127,130	108,283
	140,663	127,130

12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Trustee on 10 March 2014.

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 five meetings of the Board in 2013.

Elected by the House of Bishops

Right Rev Paul Colton	(2)
Right Rev John McDowell	(2)

Elected by the General Synod

Canon Lady Sheil	(4)
Rev Ted Woods	(4)
Mr William Oliver	(3)
Mrs Cynthia Cherry	(2)
Ven Philip Patterson (died 5 May 2013)	(0)
Mrs Brigid Barrett (elected November 2013)	(0)

Elected by The Representative Church Body

Mrs Judith Peters	(5)
Mr Terence Forsyth	(4)
Mr Geoffrey Perrin	(4)
Rev Chris Matchett	(4)
Mr Owen Driver	(2)

Chairperson – Canon Lady Sheil

Vice-Chairperson – Mr Terence Forsyth

Honorary Secretary – Rt Rev John McDowell

Pensions Administration Manager – Mr Peter Connor

Grants Committee

Canon Lady Sheil
Mrs Judith Peters
Rev Ted Woods

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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 H to the Report of the RCB (*Church of Ireland General Synod Reports 2014*, page 170).

2. CHANGES TO THE FUND IMPLEMENTED IN 2013

While fully recognising the need for the major changes made in respect of the Fund by General Synod, on the proposal of the Representative Church Body, in 2013 the Board greatly regretted the need to close the Fund to future service as at 31 May 2013. The introduction of the gradual increase in Normal Retirement Age to 68 years is in keeping with changes being made in many pension schemes at this time and is an essential element of the Funding Proposal approved by *An Bord Pinsean*.

Further details of the Funding Proposal may be found in the report of the Trustee.

3. MEMBERSHIP OF THE BOARD

The Board is elected triennially in accordance with Section 15 of Chapter XIV.

The Board expressed its deep regret at the death of Archdeacon Philip Patterson, who died in May following an illness. The Archdeacon was elected to the Board in November 2012.

The Standing Committee on 19 November 2013 elected Mrs Brigid Barrett as a member of the Board.

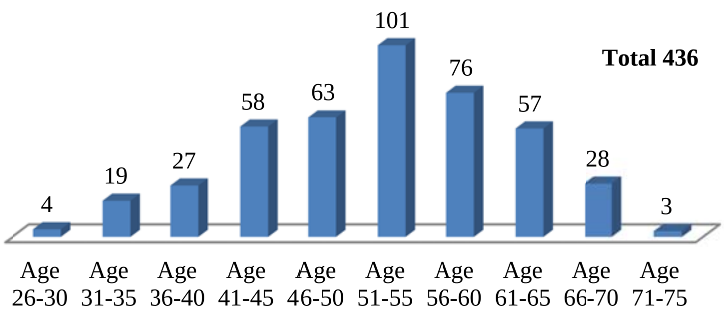
4. MEMBERSHIP OF THE FUND

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

	Active members	Deferred members	Pensioners	Spouses on pension
At 1 January 2013	464	89[1]	271	206
New entrants (up to 31 May 2013)	2	9		
Leavers with deferred benefits	(9)	0		
Leavers taking benefits elsewhere	0	0		
Deaths before retirement	(3)			
Retirements on pension	(18)	(1)	19	
Deaths on pension			(10)	(10)
New spouses' pensions				9
At 31 December 2013	436	97	280	205[2]

In addition there were 11 child dependency allowances in payment at 31 December 2013 (11 at 31 December 2012).

Age distribution of active members



There are five 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.

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1 The total of 89 at 1 January 2013 is an adjusted figure as the number of deferred members in previous years' tables included deferred clergy whose pension subsequently became payable.

2 The total of 205 includes 10 widows of members who either retired or died before 1976 and 12 widows of voluntary members.

5. RETIREMENT AGE

The revised Normal Retirement Age (NRA) from 1 June 2013 (for contributing members of the Fund as at 31 May 2013) is in accordance with the following table:

Date of birth	Age on 31 May 2013	Normal Retirement Age
1 June 1949 to 31 May 1954	59 to 63	66
1 June 1954 to 31 May 1959	54 to 58	67
1 June 1959 and after	53 or younger	68

Members who have a date of birth before 1 June 1949 retain an NRA of 65.

Members who joined/rejoined the CPF on or after 1 January 2009 have an NRA of not less than 67.

Under statutory pension regulations Deferred Members will retain the NRA applicable at their date of leaving the service of the Church of Ireland.

6. PENSIONS IN PAYMENT

The annualised pensions etc in payment at 1 January 2014 are:

	€		£
Clergy	1,866,906	and	2,173,188
Surviving spouses and orphans	1,256,733	and	1,018,140
	3,123,639	and	3,191,328

The total annualised pensions in payment translated to euro at the year end exchange rate of 0.8302 are €6,967,686.

7. CONTRIBUTIONS

Contribution Rate – the Members and Dioceses/Parishes contribution rate to 31 May 2013 (which is made up of a contribution to meet the deficit in respect of past service and to meet future service funding) was based on an annual rate of 30% of the Pensionable Stipends. The contributions on an annual basis were as follows:

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

Contribution from central funds for 2013 – a fourth transfer by the Representative Church Body of €5m took place in 2013. In addition a contribution from central funds amounting to €446,000 was made during the year in accordance with Section 38 of Chapter XIV of the *Constitution of the Church of Ireland*.

8. 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 (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;

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 2013 lump sums totalling €305,188 and £215,478 became payable under the above headings in respect of 10 members as follows:

Died in service (2); died within 5 years following retirement (0); paid at NRA (0); paid on retirement (7); deferred pension (1).

9. 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).

10. ADDITIONAL PERSONAL CONTRIBUTIONS (APCS)

With the closing of the Clergy Pensions Fund to future accruals on 31 May 2013 the additional service members were purchasing, to give up to a maximum of 40 years' service at normal retirement age, was re-calculated to reflect the service purchased to 31 May 2013.

As at present 93 members have secured service to credit from purchasing additional service to 31 May 2013.

11. 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.

AVCs are unaffected by the closure of the Clergy Pensions Fund to future accruals.

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

(i) Membership of the AVC Fund as at 31 December 2013

	Membership 31/12/12	New Contributors	Death in Service	Fund Transfers	Retired	Membership 31/12/13
RI	26	0	0	0	3	23
NI	5	0	0	0	0	5
Total	31	0	0	0	3	28
Previous Year	32	2	0	0	3	31

Standard Life is the provider of the AVC facility. Contributions may be invested with them 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

	2013 €'000	2012 €'000
Contributions received	48	89
Less paid on retirement or death	(149)	(47)
Less commuted to pension	-	-
	(101)	42
Balance 1 January	770	726
Currency Translation Adjustment	1	2
Balance 31 December	670	770

NOTES

1. A resolution adopted by the General Synod on 12 May 2012 transferred the role of trustee from the Representative Body to The Church of Ireland Clergy Pensions Trustee Limited.

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 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 2013 €1 = £0.8302 (2012 €1 = £0.8161).

pwc

CHARTERED ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL INFORMATION OF THE CHURCH OF IRELAND AVC FUND

In accordance with our engagement letter dated 4 November 2013 we have compiled the entity's financial information, which comprises the Income and Expenditure Account from the accounting records and information and explanations you have given us.

This report is made to you in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial information that we have been engaged to compile to meet your governance requirements. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than you for our work or for this report.

We have carried out this engagement in accordance with technical guidance in M48 'Chartered Accountants' Reports on the Compilation of Historical Financial Information of Unincorporated Entities' issued by the Institute of Chartered Accountants in Ireland (ICAI) and have complied with the ethical guidance laid down by the ICAI relating to members undertaking the compilation of historical financial information.

You have approved the financial information for the year ended 31 December 2013 and have acknowledged your responsibility for it, including the creation and maintenance of all accounting and other records supporting it and the appropriateness of the accounting basis on which it has been compiled, and for providing us with all information and explanations necessary for its compilation.

We have not been instructed to carry out an audit of the financial information. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations given to us by you and we do not, therefore, express any opinion on the financial information.

PricewaterhouseCoopers
Chartered Accountants
Dublin

13 March 2014

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Chartered Accountants

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 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 Clergy Pensions 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 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.

February 2014

ANNEX 3

ACTUARIAL FUNDING CERTIFICATE

Article 4

THIS CERTIFICATE HAS BEEN PREPARED UNDER THE PROVISIONS OF SECTION 42(1) 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 January 1976

PENSIONS BOARD REFERENCE NO. PB 1667

EFFECTIVE DATE OF THIS CERTIFICATE: 30 September 2012

EFFECTIVE DATE OF PREVIOUS CERTIFICATE (IF ANY) 30 September 2009

On the basis of information supplied to me, having complied with any guidance prescribed under section 42(4)(b) of the Act and, subject thereto, having regard to such financial and other assumptions as I consider to be appropriate, I am of the opinion that at the effective date of this certificate:-

(1) the resources of the scheme, which are calculated for the purposes of section 44(1) of the Act to be €119,662,000, ~~***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(1) of the Act which, including the estimated expenses of administering the winding up of the scheme, amount to €164,450,000, and

(2) €0 of the resources of the scheme referred to in paragraph (1) comprise contingent assets, in accordance with and within the meaning of the guidance issued by the Board and prescribed under section 47 of the Act.

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(1) 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: Paul McMahon *Date:* 20 June 2013

Name: Paul McMahon *Qualification:* FSAI

Name of Actuary's Employer/Firm: Mercer *Actuary Certificate No.* P076

~~***Please delete whichever is not applicable**~~

FUNDING STANDARD RESERVE CERTIFICATE

Article 4

THIS CERTIFICATE HAS BEEN PREPARED PURSUANT TO SECTION 42(1A) 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 January 1976

PENSIONS BOARD REFERENCE NO. PB 1667

EFFECTIVE DATE OF
THIS CERTIFICATE: 30 September 2012

EFFECTIVE DATE OF
PREVIOUS CERTIFICATE (IF ANY)

On the basis of information supplied to me, having complied with any guidance prescribed under section 42(4)(b) of the Act and, subject thereto, having regard to such financial and other assumptions as I consider to be appropriate, I am of the opinion that at the effective date of this certificate:

(1) the funding standard liabilities (as defined in the Act) of the scheme amount to €164,450,000,

(2) the resources of the scheme (other than resources which relate to contributions or a transfer of rights to the extent that the benefits provided are directly related to the value of those contributions or amount transferred (**DC resources**)), calculated for the purposes of section 44(1) of the Act amount to €119,662,000,

(3) €47,925,000 of the amount referred to in paragraph (2) (subject to a maximum of an amount equal to the funding standard liabilities) is invested in securities issued under section 54(1) of the Finance Act 1970 (and known as bonds), securities issued under the laws of a Member State (other than the State) that correspond to securities issued under section 54(1) of the Finance Act 1970, cash deposits with one or more credit institutions and such other assets (if any) as are prescribed under section 44(2)(a)(iv) of the Act,

(4) the amount provided for in section 44(2)(a) of the Act (15% x ((1) minus (3)) is €17,479,000,

(5) the amount provided for in section 44(2)(b) of the Act, being the amount by which the funding standard liabilities of the scheme would increase if the interest rate or interest rates assumed for the purposes of determining the funding standard liabilities were one half of one per cent less than the interest rate or interest rates (as appropriate) assumed for the purposes of determining the funding standard liabilities less the amount by which the resources of the scheme (other than DC resources) would increase as a result of the same change in interest rate or interest rates is €4,586,000,

(6) the aggregate of (4) and (5) above amounts to €22,065,000, and

(7) the additional resources (as defined in the Act) of the scheme amount to €0 of which, in accordance with and within the meaning of the guidance issued by the Board and prescribed under section 47 of the Act, €0 comprises contingent assets and €0 of such contingent assets comprise an unsecured undertaking.

I therefore certify that as at the effective date of the funding standard reserve certificate the scheme- ~~*does/~~*__does not__ hold sufficient additional resources to satisfy the funding standard reserve as provided in section 44(2) 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: Paul McMahon *Date:* 20 June 2013

Name: Paul McMahon *Qualification:* FSAI

Name of Actuary's Employer/Firm: Mercer *Actuary Certificate No.* P076

***Please delete whichever is not applicable**

ANNEX 4

ACTUARIAL CERTIFICATE

MERCER

Church of Ireland Clergy Pensions Fund
Year ended 31 December 2013

Pensions Board reference number: PB1667

Actuary's Statement

An Actuarial Funding Certificate was submitted to the Pensions Board with an effective date of 30 September 2012. This certificate confirmed that at the effective date, the Scheme did not satisfy the Minimum Funding Standard set out in Section 44 of the Pensions Act, 1990. A Funding Proposal was prepared with an effective date of 30 September 2012 with the objective of putting the Plan in a position to satisfy the funding standard as at 31 December 2023. This extended date was granted by the Pensions Board at the request of the Trustees.

I can confirm that I am reasonably satisfied that the current Funding Proposal remains on track to achieve its objective. Taking account of the value of assets and the value of liabilities as at 31 December 2013, which is the last day of the accounting period of the Trustee Annual Report, I am reasonably satisfied that the scheme is expected to satisfy the funding standard as at 31 December 2023.

Liam Quigley

Liam Quigley
Fellow of the Society of Actuaries in Ireland
Certificate number: P044

Date: 25 February 2014

ANNEX 5

CHURCH OF IRELAND CLERGY PENSIONS FUND

STATEMENT OF INVESTMENT POLICY PRINCIPLES

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 Pensions Fund**

  For the purposes of pension's legislation the Representative Body is deemed to be the sponsor of the Clergy Pensions 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 Pensions Fund has a fiduciary responsibility in relation to the operation of the trust deed and rules of the Clergy Pensions Fund, including the monitoring of the Fund's investment performance, its overall solvency and its investment strategy.

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 Pensions 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 Pensions Fund.

(b) Identifying the Fund's risk tolerance levels, or appetite for risk, consistent with any Funding Proposal agreed with the regulator, *An Bord Pinsean*.

(c) The establishment of guidelines/operational parameters on investment strategy including asset allocation and deciding suitable benchmarks.

(d) Recommending the criteria for Socially 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 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, consistent with any Funding Proposal agreed with the regulator, *An Bord Pinsean*, 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.

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.

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 in the context of a scheme closed to new members and to future benefit accrual, and in the context of the scheme Funding Proposal submitted to *An Bord Pinsean* by the Trustee and the Sponsor. The proposal has been accepted as credible and robust by *An Bord Pinsean*.

- The Funding Proposal undertakes that, over the period to 2023, the Fund's asset portfolio will move gradually and in a planned way to a position where the disposition of the assets broadly matches the liabilities of the Clergy Pensions Fund. The liabilities of the Fund arise as a result of the nature and duration of the expected future retirement benefits.

- The Trustee, in consultation with the Actuary, will monitor and manage progress towards a balanced and matched strategy over the period of the Funding Proposal. It is expected that, by 2023, 75% of Fund assets will be invested in fixed interest and cash.

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 equity and bond portfolios of the Fund on a passive (i.e. index-tracking) basis.

- The Irish Property Unit Trust (IPUT) has been selected as the vehicle for investment in property.

- The manager's performance objective is to perform in line with the relevant benchmarks (as agreed with the Trustee).

February 2014

ANNEX 6

IRISH LIFE INVESTMENT MANAGERS
REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

2013 was a good year for the global economy and in particular, for developed world economies. Market volatility has fallen over the course of the last year as risk factors have reduced following various policy initiatives from authorities across the globe. In particular, monetary stimulus from global central banks has supported the global economy and financial markets. Investors' confidence has improved as global economic momentum strengthened through 2013, particularly in developed markets. In contrast however, emerging market economies have shown signs of slowing momentum. One of the most notable features over the last year or so has been the strong performance of equities relative to bonds with investors having greater conviction in relation to the improved fundamental and earnings outlook for equities while bonds have offered more modest returns after a number of years of strong performance with core global bond yields having fallen close to historic lows. While global policy initiatives have addressed and dealt with many of the issues which negatively impacted markets through the various crises of recent years, markets do however remain sensitive to news flow on the political, fiscal, economic and monetary policy fronts which continue to be factors which influence market movements.

The last twelve months have been very good for equities. There were no major setbacks to the recovery that started in earnest in March 2009. Throughout the year unemployment statistics, global GDP, consumer confidence and a whole host of other economic indicators suggested we are still moving in the right direction. This was reflected in the performance of global equity indices such as the FTSE 100 share index up over 18%, Euro Stoxx 50 up over 21%, the S&P 500 up over 32% and the ISEQ up over 35%. Impressive as that may sound, the ISEQ was not the best performing major equity index around the world – that award goes to the Japanese Nikkei which was up over 59% in 2013!

At the same time, prices of the highest grade 10 year sovereign debt around the world fell in value with yields moving up across the board. The US bond yield rose from 1.7% to 2.9% over the course of 2013. In Germany, it rose from 1.4% to 1.9%. In the UK it rose from 1.9% to 2.9%, and so on. Conversely, at the riskier end of the sovereign bond offerings, Ireland, Greece, Spain, Portugal and Italy all saw their prices rise and yields fall. Clearly, there was a rotation out of safe haven assets, like deposits and high grade bonds, into riskier assets like lower grade debt (although still investment grade) and equities.

What was behind the move? One of the main drivers was interest rates. In early 2013, they were near or at all-time lows in many economies. The US is a good example. When markets digested the news that the Federal Reserve (Fed) may taper their extensive quantitative easing programme (QE3), investors were encouraged to buy equities and sell bonds. The expectation was that if the Fed felt confident enough to reduce/remove their market support, then a sustained recovery was underway, equities would benefit and bonds would be relatively less attractive as interest rates rose to more normal levels. This will be done gradually and low interest rates will be maintained to allow governments, corporations and banks to rebuild their balance sheets to facilitate increased borrowing, and lending, respectively. This has already kick-started investment, created employment and, ultimately, should generate increased corporate earnings, which along with rising confidence, drives better equity market performance. The recovery in global stock markets from the low in March 2009 has not been linear but investor confidence is considerably higher now than it was then. In 2013, this was probably best captured by the re-rating of European equity markets when, despite earnings being revised down by 12%, markets rallied to bring the 12 month forward P/E ratio close to its long term average of 13.9x.

However, we are not out of the woods just yet. In Europe, the ECB has remained in firefighting mode with severe divergences in economic performance emerging across the region which are likely to pose challenges in 2014. Specifically, the financial sector will be back under the investor spotlight when the ECB conduct their asset quality review and banking stress tests in the first half of the year. The result of these examinations needs to be credible, which almost by necessity means some banks will fail. The focus then shifts to how many banks will fail, how badly and at what cost?

In the US, the focus through 2014 will be on how the Federal Reserve conditions markets to a reduction in, and the ultimate removal of, their bond repurchase programme of support. They have a tightrope to walk – cut support too soon and markets may lose confidence raising the prospect of a return to recession; don't cut soon enough and risk creating bubbles in the economy fuelled by artificially low interest rates. Inflation is well below target and suggests the flow of monetary support is likely to continue for now, as are low interest rates. Global sovereign debt levels are still high and controlled higher levels of inflation would be welcomed by all. The US has been the best performing global stock market post the 2008 crisis and at this pivotal stage of recovery, once again, all eyes will focus on their economic indicators. 2014 will be the sixth year of a US equity bull market which began in March 2009 and, historically, the sixth year of a bull market has been a strong one. Although interesting, history may not be a good guide to the future in this instance, especially when you consider the S&P 500 finished 2013 at it its all-time high. So, much is expected of the US and the outlook is positive but much has already been achieved.

March 2014

ANNEX 7

CLERGY PENSIONS FUND
INTERNAL DISPUTE RESOLUTION (IDR) PROCEDURE

Under Irish pensions legislation[1] 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.

1 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.

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

- 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 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

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

APPENDIX H

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 2013

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 2013 of not less than:

	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

On 31 December 2013, pensions were in course of payment to 193 surviving spouses (excluding widows of voluntary members) of clergy of the Church of Ireland. Two surviving spouses required a grant to bring their total income up to the relevant figure in the table.

During 2013, each surviving spouse who was in receipt of a grant from the Supplemental Fund also received:

(a) a grant twice yearly towards basic housing costs of £450 or €600 from the Housing Fund;

(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 2013 exceeded the figures in the Table by £1,275 or €1,710.

(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 UK) 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.

There were no clergy in receipt of this grant on 31 December 2013.

(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	£5,587
Eligible clergy: Married	£8,770

The number of grants in payment on 31 December 2013 was two.

(iv) Widow of Bishop

A grant is paid to the widow of a bishop who retired before 1 January 1979:

Grant	€6,481

One grant was payable on 31 December 2013.

(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 £1,471 if he or she died while holding office in Northern Ireland, or €1,956 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 £4,215 if they died while holding office in Northern Ireland or €5,914 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 £1,327 if they resided in the United Kingdom or €1,760 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 2014

The Representative Body recommends that the General Synod of 2014 approves allocations of €6,481 plus £770 to the Supplemental Fund from 2013 income (see report of the Representative Body, page 21 in *Church of Ireland General Synod Reports 2014*).

The allocations recommended, combined with an unexpended surplus for 2013 and dividend income for 2014, 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 2014 these shall be as follows:

(i) Minimum Income of Surviving Spouses and Orphans

	Resident in the:	
	United Kingdom	Republic of Ireland
Surviving spouse under 80	£12,590	€17,023
Surviving spouse 80 or over	£13,069	€17,670

It is estimated that the cost of this scheme will be €0 plus £3,014.

(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 £9,376 (if resident in the UK) 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 €1,330 (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 2014.

(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	£5,728
Eligible clergy:	
Married	£9,160

It is estimated that the cost of this scheme will be €0 plus £929.

(iv) Widow of Bishop

A grant is paid to the widow of a bishop who retired before 1 January 1979:

Grant	€6,481

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

(v) Removal Grants

Northern Ireland	£1,511
Republic of Ireland	€1,960

(vi) Immediate Grants to Surviving Spouses

In service:

Northern Ireland	£4,328
Republic of Ireland	€5,925

In retirement:

Northern Ireland	£1,362
Republic of Ireland	€1,764

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.

THE SUPPLEMENTAL FUND

31 December 2013

INCOME AND EXPENDITURE ACCOUNT

	2013 €'000	2012 €'000
INCOME		
General Synod Allocations	22	40
Investment Income	32	32
Income from Trusts and Donations	2	2
	56	74
EXPENDITURE		
Augmentation – Surviving Spouses and Orphans	21	21
Grants to Surviving Spouses	19	16
Grants to Retired Clergy	14	20
Expenses	5	5
	59	62
(Shortfall) / Surplus of income	(3)	12
Revaluation movement	48	91
Currency translation adjustment	(8)	11
	37	114
Capital balance 1 January	865	763
Transferred to Allocations Reserve in previous periods	3	(12)
Capital balance 31 December	905	865

THE SUPPLEMENTAL FUND

ANALYSIS OF FUND ASSETS AT 31 DECEMBER 2013

	2013 €'000	2012 €'000
Investments at Valuation		
RB General Unit Trusts	905	865
	905	865

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.

CHARTERED ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL INFORMATION OF THE CHURCH OF IRELAND SUPPLEMENTAL FUND

In accordance with our engagement letter dated 4 November 2013 we have compiled the entity's financial information, which comprises the Income and Expenditure Account and Fund Account from the accounting records and information and explanations you have given us.

This report is made to you in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial information that we have been engaged to compile to meet your governance requirements. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than you for our work or for this report.

We have carried out this engagement in accordance with technical guidance in M48 'Chartered Accountants' Reports on the Compilation of Historical Financial Information of Unincorporated Entities' issued by the Institute of Chartered Accountants in Ireland (ICAI) and have complied with the ethical guidance laid down by the ICAI relating to members undertaking the compilation of historical financial information.

You have approved the financial information for the year ended 31 December 2013 and have acknowledged your responsibility for it, including the creation and maintenance of all accounting and other records supporting it and the appropriateness of the accounting basis on which it has been compiled, and for providing us with all information and explanations necessary for its compilation.

We have not been instructed to carry out an audit of the financial information. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations given to us by you and we do not, therefore, express any opinion on the financial information.

PricewaterhouseCoopers
Chartered Accountants
Dublin

13 March 2014

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.ie

Chartered Accountants

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 2013 was €48,945 and £3,027.

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 €60,042 plus £65,602 were allocated in 2013. 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 2013 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 three surviving spouses benefited from the allocation and expressions of appreciation have been received.

The Board has applied to the Priorities Fund Committee for a grant for 2014.

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".

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 2013, grants totalling €25,650 were paid to 8 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 2013, the total of grants paid was €1,802.

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 2013 which, together with income from bequests allocated to the Fund by the Representative Body, enabled the Board to make grants totalling €9,760 and £8,930 to ten surviving spouses and grants totalling £11,282 to seven retired clergy.

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

APPENDIX I

CHURCH FABRIC FUND – GRANTS ALLOCATED DURING 2013

Diocese	Church	Amount £	Amount €
Clogher	Clones		2,100
Derry	Carrick	16,400	
	Culmore	9,500	
	Templemore, Derry Cathedral	50,000	
Raphoe	Killea		250
	Moville Lower		3,150
Down	Ballynafeigh	8,500	
Connor	Carnmoney	3,900	
	Derrykeighan	13,250	
Kilmore	Ballymachugh		850
	Killoughter		2,250
Elphin	Kiltullagh		950
	Taunagh		1,300
Dublin	Donnybrook		5,000
	Glenageary		17,150
Glendalough	Blessington		2,900
	Newcastle		2,900
Meath	Kentstown		1,050
	Tullamore		800
Waterford	Killea		6,450
Cork	Templebreedy		11,350
Killaloe	Aghancon		1,600
		101,550	60,050

APPENDIX J

ARCHIVE OF THE MONTH 2013

January: The registers of Newtownbarry (Bunclody) Union transcribed and indexed by the Anglican Record Project.

February: Letters of Richard Mant, Bishop of Down, Connor and Dromore 1823–1848

March: The Church of Ireland Commemoration of St Patrick in 1932

April: Messiah and the choirs of St Patrick's and Christ Church Cathedrals, in Dublin

May: Killucan parish register 1696–1786, transcribed and edited by Andrew Whiteside

June: Closing in on our "Killaloe" lantern slide photographer

July: 1913 edition of the Irish Church Directory digitized

August: The Church of Ireland Gazette editions for 1913 fully searchable online

September: Commonplace Book of Alexander Lamiliere (1723-1800)

October: YWCA Ireland Papers catalogued: A treasure trove for social, charitable and cultural history

November: Derryloran Parish, County Tyrone baptisms and confirmations transcribed – the Anglican Record Project continues

December: Rare images of Belfast in 1912, through the lens of the Trinity College Mission

APPENDIX K

ACCESSIONS OF ARCHIVES AND MANUSCRIPTS TO THE REPRESENTATIVE CHURCH BODY LIBRARY, 2013

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

1. ARCHIVES

(i) Parish Records

Annagh (Kilmore)
Drumlane: regs, vestry bk, conformation reg., 1829-2007

Ardagh (Ardagh)
Kilcommick: school photographs, 1948-50
Shrule: school photograph, 1909

Bailieborough (Kilmore)
Shercock: SS roll bk, 1885-1955

Baltinglass (Leighlin)
Stratford-on-Slaney: regs, 1804-2012

Belfast - St Andrew (Connor)
St Andrew: vestry bks, reg. of vestrymen, preachers' bks, 1908-70

Camus-juxta-Mourne (Derry)
Camus-juxta-Mourne: regs, vestry bks, reg. of vestrymen, accounts, preachers' bks, 1837-1915

Carlow (Leighlin)
Carlow: accounts, 1978-97
Staplestown: accounts, 1949-67

Cashel (Cashel)
Ardmayle: vestry bks, accounts, preachers' bks, 1815-1969
Athassell: baptismal reg., vestry bks, reg. of vestrymen, accounts, preachers' bks, tithe bk, misc. papers, 1770-1979
Ballinlanders: baptismal regs, vestry bk, reg. of vestrymen, preachers' bks, 1863-1920
Ballintemple: regs, vestry bks, reg. of vestrymen, accounts, preachers' bks, confirmation reg., misc. papers, 1805-2003
Ballysheehan: reg. of vestrymen, accounts, 1870-1996
Cashel: regs, vestry bk, regs of vestrymen, preachers' bks,
Caherconlish: preachers' bk, 1915-28
Cahircorney: marriage reg., 1852

Clonbeg: regs, vestry bks, accounts, preachers' bks, misc. papers, 1828-2007
Clonoulty: regs, vestry bk, reg. of vestrymen, preachers' bks, 1817-1976
Cullen: regs, vestry bks, reg. of vestrymen, preachers' bks, misc. papers, 1775-2008
Donohill: regs, vestry bks, accounts, preachers' bks, 1856-1960
Doon: regs, vestry bks, reg. of vestrymen, preachers' bks, 1790-1980
Galbally: regs, vestry bks, reg. of vestrymen, accounts, preachers' bks, misc. papers, 1807-1961
Grean: regs, vestry bks, reg. of vestrymen, preachers' bks, 1869-1974
Kilbehenny: baptismal reg., 1879-1919
Kilshane: baptismal reg., reg. of vestrymen, preachers' bks, 1883-1964
Knockgraffon: marriage reg., 1914
Mogorban: vestry bks, accounts, preachers' bks, 1813-1967
Monard: preachers' bk, 1933-58
Moyaliffe: preachers' bk, 1930-74
Shanrahan: valuation of Clogheen union, 1833 & 1875
Shronell: vestry bks, reg. of vestrymen, misc. papers, 1757-1874
Templeneiry: regs, vestry bks, reg. of vestrymen, preachers' bks, 1875-1980
Tipperary: regs, vestry bks, reg. of vestrymen, accounts, preachers bks, 1779-2002
Toem: regs, 1803-77

Celbridge (Glendalough)
Newcastle Lyons: vestry bk, 1788-1988

Clooney (Derry)
Clooney: accounts, misc. papers, 1994-2009

Cork – St Fin Barre (Cork)
Holy Trinity: alms house account bk, 1868-1910

Crumlin (Dublin)
Chapelizod: reg. of vestrymen, preachers' bks, confirmation reg., architectural drawings, misc. papers, 1839-2012
Crumlin: vestry bks, banns, accounts, Sanctuary Guild records, misc. papers, photographs, 1757-2008
Kilmainham: annual reports, misc. papers, 1866-1990

Donoughmore (Glendalough)
Donoughmore: preachers' bk, 1953-91
Dunlavin: preachers' bk, 1968-2007

Ematris (Clogher)
Drum: reg. of vestrymen, 1938-79

Ferns (Ferns)
Ballycarney: preachers' bk, 1932-70
Ballymore: preachers' bks, 1869-90

Ferns: preachers' bks, 1873-2002
Kilbride: preachers' bks, 1878-1946
Kilcormack: preachers' bks, 1887-1972
Tombe: preachers' bks, 1901-36

Holmpatrick (Dublin)
Balbriggan: regs, 1852-2005
Balrothery: burial reg., 1889-1961
Holmpatrick: regs, 1897-2007
Kenure: regs, 1867-2001

Kildare & Newbridge (Kildare)
Ballysax: regs, 1830-1994
Carnalway: regs, 1865-2012
Great Connell: regs, 1878-2013
Kilcullen: regs, 1840-2014
Morristownbiller: marriage reg., 1909-52

Killiney – Holy Trinity (Dublin)
Killiney – Holy Trinity: vestry bk, 1995-2004

Kiltegan (Leighlin)
Clonmore: marriage reg., 1957-75
Hacketstown: marriage reg., 1961-74
Kiltegan: marriage reg., 1988-2007
Moyne: marriage reg., 1957-70

Malahide (Dublin)
Malahide: accounts, annual reports, 1955-97

Omey (Tuam)
Ballinakill: reg. of vestrymen, 1967-2000
Moyrus Roundstone: misc. papers, 1843-1962

Rathdowney (Ossory)
Aghaboe: marriage reg., 1845-1955
Castlefleming: marriage reg., 1899-1951
Donaghmore: marriage reg., 1845-1957
Rathdowney: regs, 1756-1954
Rathsaran: regs, 1810-1967

Rathmichael (Dublin)
Rathmichael: regs, vestry bks, preachers' bk, misc. papers, 1959-2007

Sandymount (Dublin)
Sandymount: trustees' corresp., parish magazines, 1990-2009

Stillorgan (Dublin)
Blackrock: marriage reg., 1960-2007
Stillorgan: regs, vestry bks, accounts, preachers' bk, annual reports, misc. papers, 1869-2007

Tullamore (Meath)
Killoughey: preachers' bk, reg. of church attendance, 1855-76

Waterford (Waterford)
Drumcannon: burial reg., graveyard plan, 1908-2001
Killea: preachers' book, 1964-2002

Whitechurch (Dublin)
Whitechurch: misc. papers, 2008-12

Youghal (Cloyne)
Ardmore: regs, vestry bk, preachers' bks, 1825-2007
Ballycotton: preachers' bk, 1972-91
Castlemartyr: marriage reg., preachers' bks, 1931-2006
Ightermurrough: vestry bk, preachers' bk, 1812-71
Kilcredan: marriage reg., 1847-1904
Killeagh: vestry bks, 1821-1923
Templemichael: preachers' bk, 1864-76
Youghal: marriage reg., vestry bks, reg. of vestrymen, accounts, preachers bk, confirmation reg., charity bk, misc. papers,1739

(ii) Diocesan Records

Down & Connor: diocesan court papers, 1847-1910; Culloden House Fund account bk, 1898-1914; Kilmood Trust account bk, 1910-44.
From Church of Ireland House, Belfast.

Dublin: Committee for the International Community: minutes, papers, 2004-12
From Canon AHN McKinley

(iii) Cathedral Records

Cashel Cathedral: chapter bks, misc. papers, 1759-1995
From Very Revd PJ Knowles

St Patrick's Cathedral, Dublin: music mss
From St Patrick's Cathedral, Dublin

(iv) General Synod Records

Bishops ‘ Appeal: minutes, newsletters, 1980-2012
Working Group on the Repeal of Ancient Statutes: files, 2007

2. MANUSCRIPTS

Acheson, Alan: sermon, papers, 1978-2004
From Dr Acheson, Canada.

Bartlett, Canon JR: sermons, 2013
From Canon Bartlett, Dalkey, Co. Dublin

Benson, Rev AJHT: papers rel. to his pamphlet, The Pope’s Bull on Anglican Orders, 1886-1903
From Mr Ian Benson, Ashford, Kent.

Cashel Clerical Union: minutes, 1877-1959
Cashel & Waterford Clerical Society: minutes, 1959-2003
From Very Rev PJ Knowles, Cashel.

Coleraine Clerical Society: minutes, membership roll, 1894-1942
Connor Clerical Society: minutes, 1851-90
Down, Connor & Dromore Diocesan Library: minutes, papers, 1981-2002
Down, Connor & Dromore Temperance Society: minutes, 1966-75
Down & Dromore Clergy Wives Fellowship: minutes, 1960-94
Irish Churchmen’s Fellowship: minutes, 1942-73
Ulster Innocent Victims Appeal Fund: papers, 1969-71
From Churchy of Ireland House, Belfast

Colton, Rt Rev Dr WP: sermons, 1995 & 2004-12
From Bishop Colton, Cork

Cooper, Canon CWM: sermons, 1962-2001
From David Griffin, Dublin.

Day, Dorothy: scrapbook. 1932-67
From SSSI, Dublin.

Dublin Parochial Association: account bks, papers, 1921-83
From Zion Rectory, Dublin

Duncan, Rev JI: transcription of inscriptions at Kilconnell Abbey, co. Galway, 19th cent.
From Very Rev DL Sandes, Clifden.

Enright, Canon JL: sermons, 1966-75
From Mrs Cherry Thompson, Blackrock, Co. Dublin.

Family bibles rel. to the Meredith and Ribton families, 1857-70
From Rev GWR Ryan, Sallins, Co. Kildare.

MacCarthy, Very Rev RB: letter from AA Luce, 1970
From Dr MacCarthy, Dublin.

Missions to Seafarers: minutes, reports, papers, 1983-2010
From Rev Dr CA Empey, Dublin.

Patton, Very Rev DH: letters of appointment, 1913-68
From Rev OH Williams, Carlow.

Portrush Clergy Refresher Course: minutes, accounts, programmes, corresp., photographs, 1935-97
From Canon Eric Kingston, Ballynahinch, Co. Down.

Protestant Orphan Society: minutes accounts, registers, 1864-2011
From Canon HC Mills, Monkstown, Co. Dublin.

3. PHOTOCOPIES

Skreen (Killala): copies of parish registers, 1862-1991
From Mr Gordon Birch

APPENDIX L

FUNDS RECEIVED BY THE REPRESENTATIVE CHURCH BODY IN 2013 FOR PAROCHIAL AND DIOCESAN ENDOWMENT ETC

	€	£
Bishop Stearne's Charities		15,000.00
Blessington No. 1 School Fund	75,000.00	
Carter, Frederick		8,000.00
Church Mission Society Ireland		146,251.70
Despard, Rev Canon EH	70,000.00	
Elliott, George & Eileen	5,000.00	
Foy, Anna KE		4,729.45
Garden of Remembrance (addition)	6,562.51	
Governors of the Old Borough School	50,000.00	
Gunn, GIH (addition)		25,600.88
Healy, Vera	1,000.00	
Henry, Francis Bayly (addition)		377.96
Hunter, Lily		170.00
Ireland, Harry	350,000.00	
Kennedy, Mrs FJ		1,000.00
Keys, Gordon		360.00
Lennox Memorial Fund		275,374.02
McClure, E		4,081.10
McConnell, Thelma		500.00
Monaghan, Mr & Mrs Robert (addition)		100.00
Mothers Union of Ireland Centenary Fund (addition)	11,500.00	
Parish Funds Aghadowey (Derry)		65,000.33
Parish Funds Monaghan (Clogher)	64,767.82	
Parish Funds Mucknoe (Clogher)	40,000.00	
Parochial Funds Belfast St Nicholas (Connor) (addition)		115,000.00
Poole, Florence	2,655.15	
Proceeds of Organ Recitals		2,827.28
Robinson, Della		1,232.50
Russell, Aileen	58,295.00	
Sinnamon, BHI		5,942.43
Sommerville, Mervyn		1,000.00
Stewart, David		10,000.00
Sundry Trusts/Parish Funds Kildrumferton (Kilmore) (addition)	1,727.76	
Webb, Ven WP (addition)	2,524.00	
Williamson, WH		2,700.00
Wood, Eva		560.00
Wright, Billy	2,500.00	
	741,532.24	685,807.65