

Church of Ireland Pensions Board – Report 2007

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**FUND ACCOUNT** **YEAR ENDED 31 DECEMBER 2006**  
**FINANCIAL STATEMENTS** **PAGE 10**

<b>CONSOLIDATED FUND</b>			
	Notes	2006 €'000	2005 €'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	4,614	4,455
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	4	7,241	6,967
Administrative expenses payable to the Trustee		179	102
		<u>7,420</u>	<u>7,069</u>
<b>CONTRIBUTIONS LESS BENEFITS</b>		<u>(2,806)</u>	<u>(2,614)</u>
<b>INVESTMENT RETURN FOR THE YEAR</b>			
Investment income	5	2,780	2,683
Realised and unrealised investment gain		8,604	16,305
Currency translation adjustment		1,106	1,515
Investment management expenses		(288)	(262)
		<u>12,202</u>	<u>20,241</u>
<b>NET INCREASE IN FUND FOR YEAR</b>		<u>9,396</u>	<u>17,627</u>
<b>BALANCE 1 JANUARY</b>		<u>123,924</u>	<u>106,297</u>
<b>BALANCE 31 DECEMBER</b>		<u><u>133,320</u></u>	<u><u>123,924</u></u>

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

Signed on behalf of the Trustee: *S Gamble*  
*DG Perrin*

Date: 13 March 2007

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**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NET ASSETS STATEMENT** **YEAR ENDED 31 DECEMBER 2006**  
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<b>CONSOLIDATED FUND</b>	Notes	2006	2005
		€'000	€'000
INVESTED ASSETS	6	132,666	123,316
CURRENT ASSETS			
Amounts due from the Representative Church Body		814	748
CURRENT LIABILITIES			
Creditors		(160)	(140)
NET CURRENT ASSETS		654	608
BALANCE OF FUND		133,320	123,924

Signed on behalf of the Trustee: *S Gamble*  
*DG Perrin*  
 Date: 13 March 2007

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**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
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**REPUBLIC OF IRELAND SUBDIVISION**

	Notes	2006	2005
		€'000	€'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	2,077	1,990
Transfers from Northern Ireland subdivision		534	819
		<u>2,611</u>	<u>2,809</u>
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	4	2,928	2,732
Transfers to Northern Ireland subdivision		83	172
Administrative expenses		178	97
		<u>3,189</u>	<u>3,001</u>
<b>CONTRIBUTIONS LESS BENEFITS</b>		<u>(578)</u>	<u>(192)</u>
<b>INVESTMENT RETURN FOR THE YEAR</b>			
Investment income		1,061	960
Realised and unrealised investment gain		5,863	9,007
Investment management expenses		(139)	(123)
		<u>6,785</u>	<u>9,844</u>
<b>NET INCREASE IN FUND FOR YEAR</b>		<u>6,207</u>	<u>9,652</u>
<b>BALANCE 1 JANUARY</b>		<u>62,239</u>	<u>52,587</u>
<b>BALANCE 31 DECEMBER</b>		<u><u>68,446</u></u>	<u><u>62,239</u></u>

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**NORTHERN IRELAND SUBDIVISION**

	Notes	2006	2005
		€'000	€'000
<b>CONTRIBUTIONS AND OTHER RECEIPTS</b>			
Contributions receivable	3	2,537	2,465
Transfers from Republic of Ireland subdivision		83	172
		<u>2,620</u>	<u>2,637</u>
<b>BENEFITS AND OTHER PAYMENTS</b>			
Benefits payable	4	4,313	4,235
Transfers to Republic of Ireland subdivision		534	819
Administrative expenses		1	5
		<u>4,848</u>	<u>5,059</u>
<b>CONTRIBUTIONS LESS BENEFITS</b>		<u>(2,228)</u>	<u>(2,422)</u>
<b>INVESTMENT RETURN FOR THE YEAR</b>			
Investment income		1,719	1,723
Realised and unrealised investment gain		2,741	7,298
Currency translation adjustment		1,106	1,515
Investment management expenses		(149)	(139)
		<u>5,417</u>	<u>10,397</u>
<b>NET INCREASE IN FUND FOR YEAR</b>		3,189	7,975
<b>BALANCE 1 JANUARY</b>		61,685	53,710
<b>BALANCE 31 DECEMBER</b>		<u>64,874</u>	<u>61,685</u>

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

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

A funding proposal was submitted to the Irish Pensions Board, as detailed in the 2004 Book of Reports (page 113), and this has been accepted by them.

**2. FORMAT OF THE FINANCIAL STATEMENTS**

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

**3. SUMMARY OF CONTRIBUTIONS RECEIVABLE**

	2006 €'000	2005 €'000
<u>Republic of Ireland</u>		
Members – normal	339	317
– additional personal	134	122
Dioceses	1,127	1,060
Representative Church Body	460	466
Transfers from other funds	17	25
	<u>2,077</u>	<u>1,990</u>
<u>Northern Ireland</u>		
Members – normal	436	408
– additional personal	88	77
Dioceses	1,402	1,307
Representative Church Body	611	594
Transfers from other funds	-	79
	<u>2,537</u>	<u>2,465</u>
Total	<u><u>4,614</u></u>	<u><u>4,455</u></u>

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

	2006 €'000	2005 €'000
<u>Republic of Ireland</u>		
Pensions to retired bishops and clergy	1,438	1,441
Pensions to surviving spouses and orphans	1,182	1,190
Commutation of pensions	145	101
Death benefits	120	-
Transfers to other funds	43	-
	<u>2,928</u>	<u>2,732</u>
<u>Northern Ireland</u>		
Pensions to retired bishops and clergy	2,570	2,460
Pensions to surviving spouses and orphans	1,392	1,306
Commutation of pensions	351	358
Death benefits	-	51
Transfers to other Funds	-	60
	<u>4,313</u>	<u>4,235</u>
Total	<u><u>7,241</u></u>	<u><u>6,967</u></u>

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**5. ANALYSIS OF INVESTMENT INCOME**

	2006 €'000	2005 €'000
Fixed interest securities	260	378
Dividends from equities	2,430	2,247
Income from managed funds	17	16
Interest on cash deposits	59	42
	<u>2,766</u>	<u>2,683</u>
Other trust income	14	-
	<u>2,780</u>	<u>2,683</u>

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**6. INVESTED ASSETS**

(a) Analysis of Fund Asset Values at 31 December 2006.

	2006 €'000	2005 €'000
<u>Listed Securities</u>		
Ireland		
Equities	14,663	11,926
Europe		
Equities	25,034	17,352
United Kingdom		
Trustee	2,664	2,527
Bonds	2,678	3,062
Equities	37,400	36,352
North America		
Equities	16,915	21,896
Pacific Basin		
Bonds	-	174
Equities	6,687	5,586
Japan		
Equities	8,003	6,854
	<u>114,044</u>	<u>105,729</u>



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6. INVESTED ASSETS – CONTINUED

(a) Analysis of Fund Asset Values at 31 December 2006 – continued

	2006 €'000	2005 €'000
<u>Unlisted Securities</u>		
Ireland		
Unit Trusts	1,828	1,343
Unit Trusts – Property	7,193	6,072
Europe		
Unit Trusts	7,713	8,277
Global		
Unit Trusts	534	765
	<u>17,268</u>	<u>16,457</u>
<u>Other Assets</u>		
Cash	1,354	1,130
	<u>1,354</u>	<u>1,130</u>
<u>Summary</u>		
Listed Securities	114,044	105,729
Unlisted Securities	17,268	16,457
Cash	1,354	1,130
	<u>132,666</u>	<u>123,316</u>

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

(b) Concentration of Investment

Two investments exceed 5% of the net assets of the scheme, Bank of Ireland Exempt Eurozone Government Bond Fund and New Ireland Pensions Property Series 1 Fund amounting to 5.3% and 5.05% respectively of the net assets of the scheme at 31 December 2006.

(c) Purchases and Sales

The total amounts of purchases and sales of investments, other than cash deposits, in the year amounted to €69.8 m and €70.2 m respectively.

(d) Equities

There were 119 holdings of equities at the year end with a total market value of €108.7m.

The 20 largest holdings were as follows with a combined value of €41.2m, 31% of total equity holding.

	€'000
Royal Bank of Scotland	3,374
CRH	3,167
Bank of Ireland	2,941
Allied Irish Banks	2,707
BP	2,314
Credit Suisse Group	2,221
BNP Paribas	2,166
Total SA	2,135
Imperial Tobacco	1,999
Aviva	1,877
HSBC	1,818
HBOS	1,777
Nissan Motor Co	1,747
Barclays	1,727
Vodafone Group	1,520
BHP Billiton	1,498
E.On	1,393
Samsung Electronic	1,380
Merrill Lynch & Co	1,346
Millea	1,329

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6. INVESTED ASSETS – CONTINUED

(e) Managed Funds:

The following managed funds were held at 31 December 2006:

	€'000
Bank of Ireland Exempt Euro Liquidity Fund	643
Bank of Ireland Exempt Eurozone Government Bond Fund	7,070
Bank of Ireland Exempt Smaller Equity Fund	1,583
Bank of Ireland Exempt Non Government Bond Fund	534
Irish Property Unit Trust	482
New Ireland Fund Common US\$0.01	72
New Ireland Pensions Property Fund	6,711
New Ireland Venture Fund	173

7. CONTINGENT LIABILITIES

In the opinion of the Trustee the scheme had no contingent liabilities at 31 December 2006.

8. ADMINISTRATIVE AND INVESTMENT MANAGEMENT EXPENSES

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