

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

**FINANCIAL STATEMENTS – PAGE 1**

**YEAR ENDED 31 DECEMBER 2001**

---

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**

---

**FINANCIAL STATEMENTS 2001**

---

**PAGE 2**

---

**CONTENTS**

|  | PAGE |
|--|------|
| TRUSTEE’S REPORT                       | 3    |
| REPORT OF THE INVESTMENT MANAGERS      | 5    |
| REPORT OF THE INDEPENDENT AUDITORS     | 8    |
| ACCOUNTING POLICIES                    | 9    |
| CHURCH OF IRELAND CLERGY PENSIONS FUND |      |
| FINANCIAL STATEMENTS                   | 10   |
| NOTES TO THE FINANCIAL STATEMENTS      | 14   |

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND****TRUSTEE'S REPORT****FINANCIAL STATEMENTS****PAGE 3****CONSTITUTION OF THE FUND**

The Fund is established under Chapter XIV of the Constitution of the Church of Ireland as amended from time to time by the General Synod. The Representative Church Body is the Trustee of the Fund which is administered by the Church of Ireland Pensions Board in accordance with the provisions of Chapter XIV.

The Fund has been approved by the Revenue Commissioners as a retirement benefits scheme under Part 30, Chapter I of Taxes Consolidation Act, 1997, and is treated as an "exempt approved scheme" for the purposes of that Act. In addition the Fund, exclusive of the part relating to the Republic of Ireland, 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.

The Financial Statements, which should be read in conjunction with the report of the Church of Ireland Pensions Board, are expressed in Euro currency for balance sheet reporting purposes but the Fund is maintained in separate currency subdivisions having regard to the membership profile in the Republic of Ireland and Northern Ireland and the currencies in which the contributions and benefits are payable.

The financial development of the Fund over the year 2001 was as follows:

|  |              | €'000          |
|--|--------------|----------------|
| Contributions and other receipts       |              | 3,901          |
| Investment income                      |              | 2,867          |
| Benefits paid and other expenses       |              | (6,513)        |
| Net new money available for investment |              | 255            |
| Value of Fund at 31 December 2000      | 125,932      |                |
| Plus currency translation adjustment   | <u>1,597</u> | 127,529        |
| Realised/Unrealised investment losses  |              | (7,720)        |
| Value of Fund at 31 December 2001      |              | <u>120,064</u> |

The Representative Body, as Trustee of the Fund, is responsible for investment policy and meetings are held with the Investment Managers to review strategy and performance on a regular basis. The Investment Managers are remunerated on a fee basis calculated by reference to asset values and in accordance with formal fund management agreements between the managers and the Trustee. Management fees and attributed costs of administration are charged to the Fund by the Trustee.

The investment objectives are to maximise total returns through diversified portfolios of equity, fixed interest, property and cash investments having regard to liability restraints, cash flow, interest rate and currency movements.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND****TRUSTEE'S REPORT****FINANCIAL STATEMENTS****PAGE 4****ACTUARIAL VALUATION**

The Actuary's certificate, which is included in the annual report of the Church of Ireland Pensions Board, confirms that the current contribution rate is adequate to provide for the future accruing liabilities.

**STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

The Representative Body, as Trustee, is required to prepare financial statements of the Fund for each financial year which give a true and fair view of the financial transactions of the Fund for the period and the assets and liabilities (other than liabilities to pay pensions and other benefits in the future) at the end of the Fund's year, which include a statement whether the accounts have been prepared in accordance with Statement of Recommended Practice – Financial Reports of Pension Schemes ("SORP"), subject to any material departures disclosed and explained in the financial statements. The Trustee is also responsible for ensuring that contributions are made to the Fund in accordance with the Fund rules and the recommendations of the actuary.

In preparing these financial statements, the Trustee must ensure that:

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

The Trustee is responsible for ensuring that proper membership and financial records are kept and ensuring that the financial statements comply with relevant legislation. 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.

12 March 2002

*JF Rankin*  
Chairman, RCB Executive Committee

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND****REPORT OF THE INVESTMENT MANAGER – 2001****FINANCIAL STATEMENTS****PAGE 5****Clergy Pensions Fund – commentary for the 12 months ended December 2001****OVERVIEW**

- 2001 represented the second consecutive year that the world's major equity markets registered negative returns. The performance of the previous year was attributable to the bursting of the TMT bubble. This year's performance reflected the deteriorating economic conditions and outlook.
- The terrorist attacks on the US in September dispelled the hope that the US economy could avoid a recession and plunged the world into a period of uncertainty.
- The response of policy makers to the conditions in place preceding and following the attacks was to lower interest rates aggressively.
- Bond markets experienced increased levels of volatility as investors responded to the changing landscape through the year. Returns were generally positive as interest rates tumbled.
- Japan's economy spent another year in the doldrums, finally undermining the yen, which weakened sharply towards the year end.

*Earnings Slump*

- Since the beginning of 2001 equity markets have reeled from deteriorating earnings announcements. To the fore of this litany of bad news were the technology, media and telecommunications companies. A virtual freeze on capital expenditure plans culminated in sharp earnings downgrades for the vendors.
- Towards the end of the year there was a marginal improvement as companies began to report earnings more in line with expectations. Despite the fact that these earnings targets had been revised heavily, markets have reacted relatively positively.

*September 11*

- The terrorist attacks on the US accelerated rather than created the economic downturn. In the immediate aftermath of these tragic events, equity markets fell sharply as the outlook dimmed.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND****REPORT OF THE INVESTMENT MANAGER – 2001****FINANCIAL STATEMENTS – CONTINUED****PAGE 6***Interest Rates Plunge*

- In the first days of 2001 the US Federal Reserve set the trend for the year by making the first of what became eleven interest rate cuts. The federal funds rate fell 475 basis points in the period.
- Central banks around the globe have followed suit to differing degrees. The ECB has been slower than most to reverse increases of 2000, constrained by its inflation target.

**OUTLOOK***Global Recovery Risks*

- For the first time since the 1960s, the economies of the US, Japan and Germany all contracted in the third quarter. This synchronised downturn may make a revival in global consumer demand more difficult, particularly as unemployment rises in many economies.
- Nonetheless we expect economic recovery in the second half of 2002 although it may not be as powerful as anticipated by the rapid rebound in equity markets and increasing bond yields.

*Therapeutic Currents*

- Equity markets usually benefit from low interest rate environments and this may have been reflected in the final quarter of 2001.
- We believe inflation is likely to remain benign, partly as energy prices remain muted and rising unemployment eases wage increase pressures. This makes a rapid reversal of short-term rates more remote and should underpin bond markets.
- As economic recovery takes hold, corporate profits may rise somewhat – helping to underpin valuations – and interest rates may feel upward pressure. However, we do not believe the recovery will be so strong as to prompt an aggressive rise in rates.

*Valuations and Quality*

- The fourth quarter rebound in technology stocks has pushed some price-earnings multiples to levels last seen near this sector's peak.
- We believe that these valuations contain heroic assumptions about earnings growth and we will continue to focus on companies that have tangible, consistent profits and high quality franchises.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**REPORT OF THE INVESTMENT MANAGER – 2001**  
**FINANCIAL STATEMENTS – CONTINUED** **PAGE 7**

**PERFORMANCE**

***The Church of Ireland Clergy Pensions Fund (Irish sub-division)***

The Fund decreased in value from €56,079,230 to €54,208,137, during the period. Taking into account cash flow of €(1,015,867), this represents a weighted return of –1.45%.

The asset distribution of the fund at the start and end of the review period was as follows:

|                     | 1 January 2001 | 31 December 2001 |
|---------------------|----------------|------------------|
| Equities            | 65.61          | 67.11            |
| Fixed Interest      | 21.05          | 21.23            |
| Index Linked Stocks | 1.04           | 0.92             |
| Property            | 8.98           | 7.62             |
| Cash                | 3.32           | 3.12             |

***The Church of Ireland Clergy Pensions Fund (UK sub-division)***

The Representative Church Body transferred the Clergy Pensions Fund (UK sub-division) from Lazards to Bank of Ireland Asset Management (UK) Ltd at the end of June 2001. In total the amount transferred was £42,035,293.

The performance measurement of the fund commenced on 1 July 2001. Over the 6 month period to the end of 2001, the portfolio fell 3.53%. During the fourth quarter two withdrawals were made from the fund of £300,000 each to meet the ongoing commitments of the Representative Body. The value of the fund as at 31 December 2001 was £40,033,705.

The asset distribution of the fund at the start and end of the review period was as follows:

|                | 1 July 2001 | 31 December 2001 |
|----------------|-------------|------------------|
| Equities       | 69.39       | 77.51            |
| Fixed Interest | 15.56       | 18.68            |
| Cash           | 15.05       | 3.81             |

Bank of Ireland Asset Management  
11 February 2002

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE AND MEMBERS OF THE CHURCH OF IRELAND CLERGY PENSIONS FUND

We have audited the financial statements on pages 8 to 20.

### Respective Responsibilities of the Trustee and Auditors

The Trustee is responsible for making the Annual Report available, including, as described on page 4, the financial statements. Our responsibilities as independent auditors, are established by Irish statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you whether the financial statements give a true and fair view of the financial transactions of the Fund during the scheme year and of the amount and disposition of its assets and liabilities, other than liabilities to pay pension and other benefits after the end of the year, and whether the financial statements contain the information specified in Schedule A to the Occupational Pension Funds (Disclosure of Information) (No. 2) Regulations, 1998.

We also report to you whether the contributions payable to the Fund have been received by the Trustee within 30 days of the fund's year end and, in our opinion, have been paid in accordance with the fund's rules and the actuary's recommendation.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### Basis of Audit Opinion

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

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

### Opinion

In our opinion, the financial statements show a true and fair view of the financial transactions of the Fund during the year ended 31 December 2001, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and other benefits after the end of the year, and contain the information specified in Schedule A to the Occupational Pension Funds (Disclosure of Information) (No. 2) Regulations, 1998.

The contributions payable to the fund during the year ended 31 December 2001 have been received by the Trustee within 30 days of the end of the scheme year and, in our opinion, have been paid in accordance with the fund's rules and the recommendation of the actuary.



PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Dublin  
12 March 2002



**THE CHURCH OF IRELAND CLERGY PENSIONS FUND****ACCOUNTING POLICIES****PAGE 9**

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 Funds (Disclosure of Information) (No. 2) Regulations, 1998, and Statement of Recommended Practice, “Financial Reports of Pensions Schemes”.

(ii) Investment Income

Income on investments includes all dividends and interest receivable during the year adjusted to reflect bought and sold interest on bond transactions in the accounting period.

(iii) Investments

Quoted investments are stated in the fund financial statements at valuation. They are valued at market prices ruling at year end and unquoted investments are stated at Trustee’s valuation. Bond valuations at year end include accrued interest from the last gale date.

(iv) Foreign Currencies

Balances and transactions denominated in foreign currencies have been translated into Euro at the rate of exchange ruling at the year end. (2001 €1 = £0.6085 : 2000 €1 = £0.6241).

(v) 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.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**FUND ACCOUNT YEAR ENDED 31 DECEMBER 2001**  
**FINANCIAL STATEMENTS PAGE 10**

| <b>CONSOLIDATED FUND</b>                        |       |                       |                       |
|---|-------|-----------------------|-----------------------|
|   | Notes | 2001<br>€'000         | 2000<br>€'000         |
| <b>CONTRIBUTIONS AND OTHER RECEIPTS</b>         |       |                       |                       |
| Contributions receivable                        | 3     | 3,901                 | 3,487                 |
| <b>BENEFITS AND OTHER PAYMENTS</b>              |       |                       |                       |
| Benefits payable                                | 4     | 6,200                 | 5,230                 |
| Administrative expenses payable to the Trustee  |       | 94                    | 74                    |
|   |       | <u>6,294</u>          | <u>5,304</u>          |
| <b>CONTRIBUTIONS LESS BENEFITS</b>              |       | <u>(2,393)</u>        | <u>(1,817)</u>        |
| <b>INVESTMENT RETURN FOR THE YEAR</b>           |       |                       |                       |
| Investment income                               | 5     | 2,867                 | 2,675                 |
| Realised and Unrealised investment (loss)/gain  |       | (7,720)               | 2,468                 |
| Currency Translation adjustment                 |       | 1,597                 | (219)                 |
| Investment Management expenses                  |       | (219)                 | (174)                 |
|   |       | <u>(3,475)</u>        | <u>4,750</u>          |
| <b>NET (DECREASE)/INCREASE IN FUND FOR YEAR</b> |       | <u>(5,868)</u>        | <u>2,933</u>          |
| <b>BALANCE 1 JANUARY</b>                        |       | 125,932               | 122,999               |
| <b>BALANCE 31 DECEMBER</b>                      |       | <u><u>120,064</u></u> | <u><u>125,932</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: *JF Rankin*

*DG Perrin*

Date: 12 March 2002

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NET ASSETS STATEMENT** **YEAR ENDED 31 DECEMBER 2001**  
**FINANCIAL STATEMENTS** **PAGE 11**

| <b>CONSOLIDATED FUND</b>                           |                                      |         |         |
|--|--------------------------------------|---------|---------|
|  | Notes                                | 2001    | 2000    |
|  |                                      | €'000   | €'000   |
| INVESTED ASSETS                                    | 6                                    | 119,905 | 125,602 |
|  |                                      | _____   | _____   |
| CURRENT ASSETS                                     |                                      |         |         |
| Amounts due from the<br>Representative Church Body |                                      | 191     | 330     |
| CURRENT LIABILITIES                                |                                      |         |         |
| Creditors  |                                      | 32      | -       |
|  |                                      | _____   | _____   |
| NET CURRENT ASSETS                                 |                                      | 159     | 330     |
|  |                                      | =====   | =====   |
| BALANCE OF FUND                                    |                                      | 120,064 | 125,932 |
|  |                                      | =====   | =====   |
| Signed on behalf of the Trustee:                   | <i>JF Rankin</i><br><i>DG Perrin</i> |         |         |
| Date:  | 12 March 2002                        |         |         |

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**YEAR ENDED 31 DECEMBER 2001**  
**FINANCIAL STATEMENTS** **PAGE 12**

**REPUBLIC OF IRELAND SUBDIVISION**

|   | Notes | 2001                 | 2000                 |
|---|-------|----------------------|----------------------|
|   |       | €'000                | €'000                |
| <b>CONTRIBUTIONS AND OTHER RECEIPTS</b>         |       |                      |                      |
| Contributions receivable                        | 3     | 1,205                | 1,029                |
| Transfers from Northern Ireland subdivision     |       | 229                  | 65                   |
|   |       | <u>1,434</u>         | <u>1,094</u>         |
| <b>BENEFITS AND OTHER PAYMENTS</b>              |       |                      |                      |
| Benefits payable                                | 4     | 2,423                | 2,153                |
| Transfers to Northern Ireland subdivision       |       | 59                   | 105                  |
| Administrative expenses                         |       | 45                   | 41                   |
|   |       | <u>2,527</u>         | <u>2,299</u>         |
| <b>CONTRIBUTIONS LESS BENEFITS</b>              |       | <u>(1,093)</u>       | <u>(1,205)</u>       |
| <b>INVESTMENT RETURN FOR THE YEAR</b>           |       |                      |                      |
| Investment income                               |       | 905                  | 824                  |
| Realised and Unrealised investment (loss)/gain  |       | (1,828)              | 4,228                |
| Investment Management expenses                  |       | (89)                 | (80)                 |
|   |       | <u>(1,012)</u>       | <u>4,972</u>         |
| <b>NET (DECREASE)/INCREASE IN FUND FOR YEAR</b> |       | <u>(2,105)</u>       | <u>3,767</u>         |
| <b>BALANCE 1 JANUARY</b>                        |       | <u>56,282</u>        | <u>52,515</u>        |
| <b>BALANCE 31 DECEMBER</b>                      |       | <u><u>54,177</u></u> | <u><u>56,282</u></u> |

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**YEAR ENDED 31 DECEMBER 2001**  
**FINANCIAL STATEMENTS** **PAGE 13**

**NORTHERN IRELAND SUBDIVISION**

|  | Notes | 2001                 | 2000                 |
|--|-------|----------------------|----------------------|
|  |       | €'000                | €'000                |
| <b>CONTRIBUTIONS AND OTHER RECEIPTS</b>        |       |                      |                      |
| Contributions receivable                       | 3     | 2,696                | 2,458                |
| Transfers from Republic of Ireland subdivision |       | 59                   | 105                  |
|  |       | <u>2,755</u>         | <u>2,563</u>         |
| <b>BENEFITS AND OTHER PAYMENTS</b>             |       |                      |                      |
| Benefits payable                               | 4     | 3,777                | 3,077                |
| Transfers to Republic of Ireland subdivision   |       | 229                  | 65                   |
| Administrative expenses                        |       | 49                   | 33                   |
|  |       | <u>4,055</u>         | <u>3,175</u>         |
| <b>CONTRIBUTIONS LESS BENEFITS</b>             |       | <u>(1,300)</u>       | <u>(612)</u>         |
| <b>INVESTMENT RETURN FOR THE YEAR</b>          |       |                      |                      |
| Investment income                              |       | 1,962                | 1,851                |
| Realised and Unrealised investment (loss)      |       | (5,892)              | (1,760)              |
| Currency Translation adjustment                |       | 1,597                | (219)                |
| Investment Management expenses                 |       | (130)                | (94)                 |
|  |       | <u>(2,463)</u>       | <u>(222)</u>         |
| <b>NET DECREASE IN FUND FOR YEAR</b>           |       | <u>(3,763)</u>       | <u>(834)</u>         |
| <b>BALANCE 1 JANUARY</b>                       |       | 69,650               | 70,484               |
| <b>BALANCE 31 DECEMBER</b>                     |       | <u><u>65,887</u></u> | <u><u>69,650</u></u> |

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND****NOTES TO THE FINANCIAL STATEMENTS****FINANCIAL STATEMENTS****PAGE 14****1. ACTUARIAL VALUATIONS**

An actuarial valuation is carried out at intervals of not more than three years. The last valuation of the Fund was carried out at 30 September 2000. Based on that valuation the Actuary confirmed that the scheme satisfied the minimum funding standards laid down under section 44 of the Pensions Act, 1990 (Republic of Ireland).

**2. FORMAT OF THE FINANCIAL STATEMENTS**

The statements summarise the transactions and net assets of the scheme. They do not take account of liabilities to pay pensions and other benefits expected to become payable in the future. The actuarial position of the fund, which does take account of such liabilities, is dealt with in the statement 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**

|                            | 2001<br>€'000 | 2000<br>€'000 |
|----------------------------|---------------|---------------|
| <u>Republic of Ireland</u> |               |               |
| Members – normal           | 236           | 212           |
| – additional personal      | 104           | 102           |
| Dioceses                   | 742           | 697           |
| Representative Church Body | (13)          | (9)           |
| Transfers from other funds | 136           | 27            |
|                            | <u>1,205</u>  | <u>1,029</u>  |
| <u>Northern Ireland</u>    |               |               |
| Members – normal           | 399           | 374           |
| – additional personal      | 100           | 83            |
| Dioceses                   | 1,257         | 1,192         |
| Representative Church Body | 937           | 809           |
| Transfers from other funds | 3             | -             |
|                            | <u>2,696</u>  | <u>2,458</u>  |
| Total                      | <u>3,901</u>  | <u>3,487</u>  |

Net contributions paid in Sterling to the Northern Ireland subdivision (excluding transfers from other funds) increased by £104,782 in 2001.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 15**

## 4. BENEFITS PAYABLE

|  | 2001<br>€'000 | 2000<br>€'000 |
|--|---------------|---------------|
| <u>Republic of Ireland</u>             |               |               |
| Pensions to Retired Clergy and Bishops | 1,263         | 1,155         |
| Pensions to Widows and Orphans         | 1,022         | 880           |
| Commutation of pensions                | 18            | -             |
| Death benefits                         | 99            | 118           |
| Transfer to other funds                | 21            | -             |
|  | <u>2,423</u>  | <u>2,153</u>  |
| <u>Northern Ireland</u>                |               |               |
| Pensions to Retired Clergy and Bishops | 2,189         | 1,864         |
| Pensions to Widows and Orphans         | 1,277         | 1,035         |
| Commutation of pensions                | 39            | 104           |
| Death benefits                         | 176           | 16            |
| Transfer to other funds                | 96            | 58            |
|  | <u>3,777</u>  | <u>3,077</u>  |
| Total                                  | <u>6,200</u>  | <u>5,230</u>  |

Benefits paid in Sterling from the Northern Ireland subdivision (excluding transfers to other funds) increased by £355,996 in 2001.

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 16**

5. ANALYSIS OF INVESTMENT INCOME

|                           | 2001<br>€'000 | 2000<br>€'000 |
|---------------------------|---------------|---------------|
| Fixed interest securities | 754           | 879           |
| Dividends from equities   | 1,809         | 1,526         |
| Income from managed funds | 115           | 140           |
| Interest on cash deposits | 182           | 121           |
|                           | <u>2,860</u>  | <u>2,666</u>  |
| Underwriting commission   | 2             | 3             |
| Other trust income        | 5             | 6             |
|                           | <u>2,867</u>  | <u>2,675</u>  |



**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 17**

## 6. INVESTED ASSETS

## (a) Analysis of Fund Asset Values at 31 December 2001

|                          | 2001<br>€'000  | 2000<br>€'000  |
|--------------------------|----------------|----------------|
| <u>Listed Securities</u> |                |                |
| Ireland                  |                |                |
| Trustee                  | 2,794          | 3,737          |
| Bonds                    | 645            | 835            |
| Equities                 | 10,659         | 7,878          |
| Convertibles             | -              | 15             |
| United Kingdom           |                |                |
| Trustee                  | 7,869          | 8,677          |
| Bonds                    | 1,364          | 783            |
| Equities                 | 37,191         | 44,917         |
| Unit Trusts              | -              | 17,785         |
| North America            |                |                |
| Bonds                    | 890            | -              |
| Equities                 | 19,792         | 7,792          |
| Europe                   |                |                |
| Bonds                    | 1,777          | -              |
| Equities                 | 14,110         | 9,189          |
| Pacific Basin            |                |                |
| Bonds                    | 398            | -              |
| Equities                 | 2,702          | 1,913          |
| Japan                    |                |                |
| Equities                 | 2,832          | 1,627          |
|                          | <u>103,023</u> | <u>105,148</u> |

**THE CHURCH OF IRELAND CLERGY PENSIONS FUND**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FINANCIAL STATEMENTS** **PAGE 18**

6. INVESTED ASSETS – CONTINUED

(a) Analysis of Fund Asset Values at 31 December 2001 – continued

|                            | 2001<br>€'000  | 2000<br>€'000  |
|----------------------------|----------------|----------------|
| <u>Unlisted Securities</u> |                |                |
| Ireland                    |                |                |
| Unit Trusts                | -              | 3,134          |
| Unit Trusts – Property     | 4,132          | 5,034          |
| North America              |                |                |
| Unit Trusts                | 1,777          | 2,294          |
| Europe                     |                |                |
| Unit Trusts                | 8,196          | 7,072          |
|                            | <u>14,105</u>  | <u>17,534</u>  |
| <u>Other Assets</u>        |                |                |
| Cash                       | <u>2,777</u>   | <u>2,920</u>   |
| <u>Summary</u>             |                |                |
| Listed Securities          | 103,023        | 105,148        |
| Unlisted Securities        | 14,105         | 17,534         |
| Cash                       | 2,777          | 2,920          |
|                            | <u>119,905</u> | <u>125,602</u> |

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

**PAGE 19**

6. INVESTED ASSETS – CONTINUED

(b) Concentration of Investment

The one investment which exceeded 5% of the net assets of the scheme, BOI EUT Eurozone Bond Fund, amounted to 5.97% of the net assets of the scheme at 31 December 2001.

(c) Purchases and Sales

The total amounts of purchases and sales of investments, other than cash deposits, in the year amounted to €85.1m and €84.3m respectively.

(d) Equities

There were 134 holdings of equities at the year end with a total market value of €87.286m.

The 20 largest holdings were as follows:

|                           | €'000 |
|---------------------------|-------|
| Vodafone                  | 3,728 |
| Barclays                  | 3,477 |
| Glaxosmithkline           | 3,287 |
| Lloyds TSB                | 3,031 |
| Shell Transport & Trading | 2,516 |
| Diageo                    | 2,505 |
| Bank of Ireland           | 2,133 |
| CRH                       | 1,892 |
| HSBC                      | 1,823 |
| Unilever                  | 1,802 |
| Johnson & Johnson         | 1,782 |
| Phillip Morris Companies  | 1,684 |
| Gannett                   | 1,637 |
| Prudential                | 1,549 |
| Wolseley                  | 1,422 |
| Fannie Mae                | 1,299 |
| Cadbury Schweppes         | 1,153 |
| Bradford and Bingley      | 1,071 |
| WPP Group                 | 1,015 |
| Astrazeneca               | 1,009 |

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

**PAGE 20**

6. INVESTED ASSETS – CONTINUED

(e) Managed Funds:

The following managed funds were held at 31 December 2001:

|   | €'000 |
|---|-------|
| Irish Pension Fund Property Unit Trust        | 332   |
| BOI Exempt Unit Trust Euro Liquidity Fund     | 1,204 |
| BOI EUT Eurozone Bond Fund                    | 6,992 |
| BOI Exempt Unit Trust International Bond Fund | 1,777 |
| New Ireland Pensions Property Fund            | 3,800 |

7. CONTINGENT LIABILITIES

In the opinion of the Trustee the scheme had no contingent liabilities at 31 December 2001.

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.