

**The Church of Ireland Clergy Defined Contribution
Pension Scheme – Republic of Ireland Section**

Trustee's Report and Financial Statements

Year Ended 31st May 2023

Pensions Authority Reference: PB 269291

**The Church of Ireland Clergy Defined Contribution Pension Scheme –
Republic of Ireland Section**

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The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

TRUSTEE AND OTHER INFORMATION

<p>Trustee</p> <p>Irish Pensions Trust Limited Hamilton House 28 Fitzwilliam Place Dublin 2</p> <p>Directors:</p> <ul style="list-style-type: none"> • Martin O'Callaghan • Patrick Foley (Retired 31/05/2023) • Hugh Governey (Retired 31/05/2023) • Donal O'Flaherty • Dave Cooney • Barbara Browne (Appointed 31/05/2023) • Rickard Mills (Appointed 01/02/2024) 	<p>Registered Administrator</p> <p>Zurich Life Assurance plc Zurich House Frascati Road Blackrock Co Dublin</p>
<p>Consultant</p> <p>Mercer (Ireland) Limited Charlotte House Charlemont Street Dublin 2</p>	<p>Underwriter</p> <p>Zurich Life Assurance plc Zurich House Frascati Road Blackrock Co Dublin</p>
<p>Registered Auditors</p> <p>Ruddell & Company 16 Church Street Dungannon County Tyrone BT71 6AB</p>	<p>Investment Manager</p> <p>Zurich Life Assurance plc Zurich House Frascati Road Blackrock Co Dublin</p> <p>Mercer Aspire is provided by Mercer (Ireland) Limited and Zurich Life Assurance plc. as a unitised insurance policy with Zurich Life Assurance plc. The underlying investment managers for all Mercer Aspire portfolios and funds are selected and monitored by Mercer Global Investments Europe Limited.</p>
<p>Sponsoring Employer</p> <p>The Representative Church Body Church of Ireland House Church Avenue Rathmines Dublin 6</p>	

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

TRUSTEE'S REPORT:

1. Introduction

The Trustee presents the Trustee's Report and Financial Statements on the operation of the Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section for the year ended 31 May 2023. The content of this report conforms to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006, as amended, prescribed by the Minister for Employment Affairs and Social Protection under the Pensions Act, 1990. The report outlines the constitution and structure of the Scheme together with details of financial developments for the year, investment matters and membership movements.

An Internal Dispute Resolution Procedure is in place in compliance with the Financial Services and Pensions Ombudsman Act 2017. Queries in relation to Scheme benefits or related matters should be addressed, in the first instance to the Pension Administration Manager, The Representative Church Body, Church of Ireland House, Church Avenue, Rathmines, Dublin 6.

2. The Scheme

The Scheme, which is a defined contribution scheme for the purposes of the Pensions Act 1990, was established to provide retirement benefits and life assurance benefits for its members and is a distinct legal entity, separate in every respect from the various employers (dioceses and parishes). Membership is open to all eligible employees of the various employers.

The Scheme is governed by the Trust Deed & Rules which members are entitled to inspect or receive a copy of. Details of members' benefits are also provided in the member explanatory booklet which has been distributed to all members and individual details appear on each member's benefit statement. There have been no changes during the year to the Scheme information specified in Schedule C of the Occupational Pension Schemes (Disclosure of Information) Regulations 2006.

The Scheme has been approved by the Revenue Commissioners as an "exempt approved Scheme" under Section 774 of the Taxes Consolidation Act, 1997 and as such its assets are generally allowed to accumulate free of income and capital gains taxes. Tax relief is given on sponsor and member contributions to the Scheme and certain lump sum payments to members can be paid free of tax. The Scheme has also been registered with The Pensions Authority and its registration number is PB 269291.

The Scheme is financed by contributions from the sponsoring employers and employees. Details of contributions and other financial developments during the year are set out in the Investment Management Report. The Trustee has in place procedures to ensure that contributions are received in accordance with Section 58A of the Pensions Act, 1990 and are paid in accordance with the rules of the Scheme. There were no sponsoring employer related investments at any time during the year.

3. The Trustee

Stewardship of Scheme assets is in the hands of its Trustee. The right of members to select, or approve the selection of, trustees is set out in the Occupational Pension Schemes (Member Participation in the selection of Persons for Appointment as Trustees) (No. 3) Regulations, 1996. The Trustee and the Scheme Administrator have access at all times to the Trustee Handbook produced by The Pensions Authority and the Guidance Notes issued by The Pensions Authority from time to time in accordance with Section 10 of the Pensions Act, 1990. Section 59A of the Pensions Act 1990, which requires trustees of pension schemes to undergo training, was brought into force on 1st February 2010, by virtue of the Social Welfare and Pensions Act 2008 (Section 28) Commencement Order 2009. The Trustee is thus required to arrange training for new directors of the Trustee within 6 months of their appointment, while directors appointed as at 1 February 2010 must receive training within 2 years of that date, and every 2 years thereafter. No costs or expenses were incurred by the Scheme in respect of trustee training during the year.

The legislation requires that trustee training must cover (a) the Pensions Act, the regulations made under it and any other laws relevant to the operation of the Scheme, and (b) the duties and responsibilities of a trustee generally. The Trustee is required to keep records of the training undertaken. Directors of the Trustee who fail to undertake appropriate training may be subjected to a fine, and where a sponsor breaches their obligation to provide appropriate training they may be prosecuted.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

TRUSTEE'S REPORT – Continued:

We confirm that the Trustee has had access to appropriate training on their duties and responsibilities. During the Scheme year, the following Directors of the Trustee have received appropriate trustee training as required by the Pensions Act within the time limits set out:

- Martin O'Callaghan
- Patrick Foley (Retired 31/05/2023)
- Hugh Governey (Retired 31/05/2023)
- Donal O'Flaherty
- Dave Cooney
- Barbara Browne (Appointed 31/05/2023)
- Rickard Mills (Appointed 01/02/2024)

4. Financial, technical and other risks associated with the Scheme and the distribution of those risks

The principal risks affecting the Scheme and their distribution are as follows:

Cessation of future contributions

The Sponsor may cease to trade, go into liquidation or for other reasons may decide to cease contributing to the Scheme. In this event no further contributions will be paid into the Scheme and the Trustee may decide to wind-up the Scheme. As this Scheme is a Defined Contribution (money purchase) for the purposes of the Pensions Act 1990, the assets equal the liabilities based on contributions remitted to the Trustee by the Sponsor. If at the date contributions cease being remitted to the Scheme the Trustee ascertains arrears are due to be paid to the Scheme, the Trustee will actively liaise with the Sponsor in relation to seeking a full final payment of arrears due to the Scheme. Any un-paid contributions will be communicated to members.

Investment loss and currency risk

The Scheme's activities expose it to a variety of financial and other risks. The Scheme's overall risk management programme focuses on the unpredictability of investment markets and seeks to minimise potential adverse effects on the Scheme's financial assets. All investments present a risk of loss of all or part of the capital and for investments in currencies other than the euro there is the added risk of losses due to adverse currency movements. The Trustee moderates this risk by investing in units in managed funds, each of which has a wide spread of carefully selected quoted investments. The Investment Manager in turn reduces the risk of currency loss to some extent by purchasing/selling foreign currency forward to hedge certain parts of the investment portfolio. The risk of loss when in the process of buying or selling an investment due to failure of the other party to meet their obligations is considered minimal as the Scheme holds no individual securities.

Delegated administration activities

The Trustee has delegated the administration tasks to the Administrator. These tasks include the collection of contributions and the investment of them within the legal time limits. The Administrator is also tasked with keeping the Scheme's membership, financial and other records.

Sources of information

The Trustee is reliant on information from many sources in operating the Scheme, including the Sponsor, members and the Investment Manager. It is possible because of the disparity of sources and the unavailability of any method of confirming the information from other sources that the Scheme is operating on the basis of incomplete, inaccurate or false information.

Nature of resources

The nature of the Scheme resources would make it vulnerable to the possibility of fraud or misappropriation of those resources. The Scheme has been registered with the Pensions Authority and is administered in accordance with all relevant legislative guidelines, thus mitigating this risk.

5. Financial Developments

The value of the Scheme's net assets was €13,775,380 at the start of the year. Pension contributions of €1,536,261 were paid into the Scheme during the Scheme year, exclusive of risk premiums of €191,125. Benefits and payments to leavers amounted to €439,541. The decrease in market value of the assets amounted to €203,977. Administration and Investment Management Expenses for the year were €1,504 and €31,841

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

respectively. This resulted in an increase of €859,398 in the value of the Scheme's net assets to €14,634,778 at the end of the Scheme year.

TRUSTEE'S REPORT – Continued:

Contributions were paid in accordance with the rules of the Scheme and were received in full within 30 days of the year.

The above details have been extracted from the financial statements of the Scheme which form part of this report.

6. Contributions

Contributions for the Scheme year amounted to €1,536,261 (excluding contributions of €191,125 in respect of the Group Risk premium). Contributions were paid in accordance with the rules of the Scheme and were received in full within 30 days of the Scheme year end.

The Trustees are satisfied that appropriate procedures have been put in place to ensure that contributions payable are received in accordance with the legislative requirements as set out under Section 58A of the Pensions Act 1990. This legislation sets out the following requirements:

- Member contributions must be received within 21 days from the end of the month in which they were deducted from payroll.
- Employer contributions must be received within 21 days from the end of the month to which they relate.
- The Trustee must invest the contributions within a further 10 days from the end of the 21 day period.

All contributions were received and invested in accordance with the legislative requirements.

Appropriate procedures are in place by the Registered Administrator to ensure that contributions payable are received in accordance with the rules of the Scheme and the legislative requirements.

These details have been extracted from the financial statements of the scheme and also tie into the figures mentioned in the Financial Developments section above.

7. Material Changes

There have been no changes in the rules of the Scheme during the year to which this report relates. If there are any changes we confirm that the members will be notified within 4 weeks of the date of any such change.

8. Related Party Transactions

There have been no material transactions between/with related parties during the Scheme year, other than as disclosed in note 22 to the financial statements.

9. Benefit Increases

There are no pensions or pension increases being paid by or at the request of the Trustee for which the Scheme would not have a liability should it wind up. There were no increases made during the Scheme year to benefits payable following termination of a member's service in relevant employment.

Annuities are bought from insurance companies at the time pensions come into payment. The member can choose the type of annuity to purchase from an appropriate selection made available to them. As it is a defined contribution Scheme, retiring members have the option to secure whatever level of pension increases they require when purchasing an annuity on retirement with the realised value of their retirement account. The levels of increases are subject to the limits imposed by the Revenue Commissioners and the approval of the Trustee.

10. Benefit Statements

Benefit statements have been furnished to all members of the Scheme in relevant employment for the Scheme year to which the annual report relates.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

TRUSTEE'S REPORT – Continued:

11. Membership Movements

Movements:	Active Members	Deferred Members
At 1st June 2022	173	41
New members during the year	10	-
Rejoiners	1	(1)
Transferred to Deferred	(5)	5
Retirements	(4)	(3)
Death Claim	(1)	-
At 31st May 2023	<u>174</u>	<u>42</u>

There were no risk only members in the Scheme during the year.

12. Investment Management

The Scheme assets are invested in an Exempt Approved Pension Policy issued by Zurich Life Assurance plc. There was no self-investment in excess of 5 per cent of the resources of the Scheme.

Zurich Life Assurance plc was appointed by the Trustee to manage the Scheme's assets in so far as they are invested in an insurance policy. In order to help it manage the Scheme's assets, Zurich Life Assurance plc receives investment management services from Mercer Global Investments Europe Limited (MGIE). MGIE provides these investment services in accordance with agreed investment parameters which may be altered from time to time. MGIE does not select individual stocks but, utilising Mercer's global manager research capabilities, selects a range of "best in class" investment managers and/or funds.

More details on the investment policies pursued during the year and of any material changes of policy are set out in the statement of investment policy principles later in this report.

Further information on funds is available at www.zurich.ie/connect/coi.

Sustainable Finance Disclosure Regulations ("SFDR")

Under SFDR, the Trustees are viewed as financial market participants, whilst the Plan is considered to be the financial product offered by the Trustees. Products under SFDR can be classified as those that have sustainable investment as its investment objective (Article 9) or those products that promote social or environmental characteristics, among other characteristics (Article 8). As the Plan has not been classified under Article 8 or Article 9 of Regulation (EU) 2019/2088 (SFDR), the Trustees must therefore make the following disclosure:

- The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
- The Trustees continue to review the Plan's approach to sustainability considerations and their current approach is documented in the Statement of Investment Policy Principles.

13. Investment Strategy and Principles

The Trustee is responsible for determining the Scheme's investment strategy.

The Trustee has agreed a Statement of Investment Policy Principles ("SIPP"). This was revised for the Scheme year ending 31 May 2021. A copy of the SIPP can be found attached to this document.

Note that the "SIPP" for the scheme has been amended as there was a change to the Investment Strategy. Where there are no changes to the Investment Strategy, the "SIPP" must be reviewed and agreed by the Trustee every three years.

14. IORP II Directive

The provisions of Directive (EU) 2016/2341 ("The IORP II Directive") were transposed into Irish Law on 22 April 2021 through the European Union (Occupational Pension Schemes) Regulations, 2021.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

TRUSTEE'S REPORT – Continued:

The Regulations introduce new requirements and changes to the Pensions Act, 1990, as amended. The Trustees, with their advisers, are reviewing the new requirements to ensure that the Trustees and the Scheme will fully comply with the Regulations. The Pensions Authority has, in November 2021, published a code of practice setting out what the Pensions Authority expects of Trustees to meet their obligations under the Regulations.

In accordance with the Regulations and the Code, the Trustee has made an assessment as to whether the Trustee board is fit and the Trustee directors are proper, in each case as defined in the Code, and concluded that the board is fit, and the Trustee directors are proper.

The Trustee is continuing to progress the implementation of the various requirements of the Regulations and the Code and have appointed the Risk Management and Internal Audit key function holders.

15. Employer Related Investments

As stated in note 19 to the financial statements, there were no employer related investments at any time during the year.

16. Climate Change

The Trustee does not consider that there is a current material climate change risk to the Scheme. However, given the maturity profile of the Scheme and the objective to fund future member benefits from the Scheme's assets as they fall due, the Trustee has a long-term time horizon over which it considers the financial materiality of ESG factors (including climate change). The Trustee continues to review the Scheme's approach to climate risk considerations and their current approach is documented in the Statement of Investment Policy Principles.

17. Other Events During the Year

The conflict between Russia and the Ukraine is taking place and this has led to volatility in both the commodity and equity markets. The Trustee is monitoring the impact of these events and working with their advisors to ensure the continued smooth running of the Scheme. The ultimate impact of these events on the Scheme is not possible to determine at this time.

18. Subsequent Events

There were no significant events post year end that would require amendments to or disclosure in the Annual Report.

19. Enquiries

Any enquiries regarding this report or any other aspect of the Scheme should be directed to the Sponsor of the Scheme. The contact name and address is:

Pension Administration Manager
The Representative Church Body
Church of Ireland House
Church Avenue
Rathmines
Dublin 6

Conclusion

We trust that members find this report informative and we are pleased to acknowledge the assistance received from the Representative Church Body.

**The Church of Ireland Clergy Defined Contribution Pension Scheme –
Republic of Ireland Section**

TRUSTEE'S REPORT – Continued:

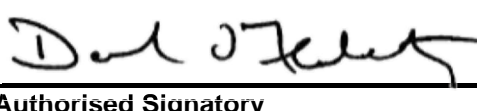
On behalf of the Trustee:



Director

28/02/2024

Date



Authorised Signatory

28/02/2024

Date

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

STATEMENT OF TRUSTEE'S RESPONSIBILITIES:

The financial statements are the responsibility of the Trustee. Irish pension 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 the Generally Accepted Accounting Practice in Ireland, of the financial transactions for the Scheme and the assets and liabilities (other than liabilities to pay benefits in the future) at the end of the Scheme year and include a statement whether the financial statements have been prepared in accordance with Statement of Recommended Practice – Financial Reports of Pension Schemes (revised June 2018) ("SORP"), subject to any material departures disclosed and explained in the financial statements.

Accordingly, the Trustee must ensure that it has supervised the preparation of the Scheme financial statements and ensure that:

- suitable accounting policies are selected and then applied consistently;
- reasonable and prudent judgements and estimates are made;
- the financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Scheme will not be wound up; and
- the Statement of Recommended Practice (SORP) is followed, or particulars of any material departures have been disclosed and explained.

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

- contributions payable during the Scheme year are receivable by the Trustee in accordance with the timetable set out in Section 58A of the Pensions Act, 1990 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 Scheme.

The Trustee is responsible for making available certain other information about the Scheme in the form of an annual report. The Trustee is also 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 (as amended), including financial statements which show a true and fair view of the financial transactions of the Scheme in the year under review and of the assets and liabilities at the year end, other than liabilities for pensions and other benefits payable after the year end. The Trustee 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.

On behalf of the Trustee:



Director

28/02/2024

Date



Authorised Signatory

28/02/2024

Date



Chartered Accountants & Registered Auditors

*16 Church Street, Dungannon, Co. Tyrone, BT71 6AB
Tel: (028) 8772 2043*

Independent auditors' report to the trustee of The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

Report on the audit of the financial statements

Opinion

In our opinion, The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section's financial statements:

- give a true and fair view of the financial transactions of the scheme during the year ended 31 May 2023 and of the amount and disposition of the assets and liabilities (other than liabilities to pay pensions and other benefits in the future) at that date; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law).

We have audited the financial statements, included within the Trustee's Report and Financial Statements, which comprise:

- the statement of net assets (available for benefits) as at 31 May 2023;
 - the fund account for the year then ended;
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the scheme's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the scheme's ability to continue as a going concern. Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Trustee's Report and Financial Statements other than the financial statements and our auditors' report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.



Chartered Accountants & Registered Auditors

*16 Church Street, Dungannon, Co. Tyrone, BT71 6AB
Tel: (028) 8772 2043*

Independent auditors' report to the trustee of The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page 10, the trustee is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The trustee is also responsible for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The trustee is also responsible for ensuring that contributions are made to the scheme in accordance with the scheme's rules.

In preparing the financial statements, the trustee is responsible for assessing the scheme's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to wind up the scheme or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the trustee as a body in accordance with section 56 of the Pensions Act 1990, as amended 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.

Other required reporting

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 May 2023 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.

Ruddell & Company
Ruddell & Company

Chartered Accountants and Statutory Audit Firm
Dungannon

28/12/2024
Date

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

FUND ACCOUNT FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 €	2022 €
Contributions & Benefits			
Employer Contributions		547,931	549,241
Employer Risk Contributions		191,125	142,070
Employee Contributions		988,330	970,122
Total Contributions & Benefits	7	1,630,511	1,661,433
Benefits			
Benefits Payable	8	(438,994)	(938,298)
Refund of Contributions	8	(547)	(8,039)
Other Payments	9	(191,125)	(142,070)
Administration Expenses	11	(1,504)	(1,496)
Total Benefits		(535,295)	(1,089,903)
Net Additions from Dealings with Members		1,095,216	571,530
Returns on Investments			
Change in Market Value of Investments	11	(203,977)	63,429
Investment Management Expenses	13	(31,841)	(31,075)
Net Returns on Investment		(235,818)	32,354
Net Increase in Fund Value		859,398	603,884
Opening Net Assets		13,775,380	13,171,496
Closing Net Assets		14,634,778	13,775,380

The notes on pages 15 to 22 form part of the financial statements.

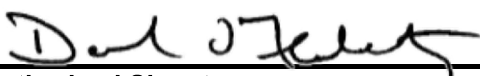
On behalf of the Trustee:



Director

28/02/2024

Date



Authorised Signatory

28/02/2024

Date

**The Church of Ireland Clergy Defined Contribution Pension Scheme –
Republic of Ireland Section**

**STATEMENT OF NET ASSETS
AVAILABLE FOR BENEFITS AS AT 31 MAY 2023**

	Notes	2023 €	2022 €
Investment Assets			
Pooled Investment Vehicles	12	14,515,277	13,651,717
Total Net Investments		14,515,277	13,651,717
Current Assets	21	119,501	123,663
Net Assets Available for Benefits		14,634,778	13,775,380

All of the above assets were allocated to members of the scheme at 31 May 2023.

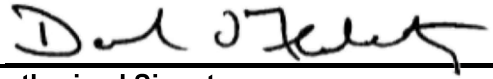
The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and other benefits which fall due after the end of the year.

The notes on pages 15 to 22 form part of the financial statements.

On behalf of the Trustee:



Director



Authorised Signatory

28/02/2024

Date

28/02/2024

Date

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

The Church of Ireland Clergy Defined Contribution Pension Scheme is an occupational pension scheme established under trust. The address of the Scheme's Principal office is Representative Church Body, Church of Ireland House, Church Avenue, Rathmines, Dublin 6. The Scheme is registered with the Revenue Commissioners and the Pensions Authority. Its registration numbers are SF 3946 and PB 269291 respectively.

2 Basis of preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 to 2013 ("the Regulations, the guidelines set out in the Statement of Recommended Practice – Financial Reports of Pension Schemes (Revised June 2018) ("the revised SORP"), published by the Pensions Research Accountants Group and Financial Reporting Standard 102 ("FRS 102") – the financial reporting standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council.

The financial statements deal with income, expenditure and net assets of the Scheme but do not take account of long-term liabilities for pensions and other benefits expected to arise in the future. The financial statements have been prepared on the going concern basis.

3 Summary of Significant Accounting Policies

The significant accounting policies adopted by the Trustee which have been applied consistently in dealing with items which are considered material in relation to the Scheme's financial statements are set out below:

- (a) Investments:** Investments are included at market value. The market value of pooled investment vehicles (including unitised funds) is taken at bid price (or single unit price where bid and offer prices are not published), as provided by the Investment Manager, as at the date of the Statement of Net Assets.
- (b) Investment Income:** Investment income and interest on bank deposits is accounted for on an accruals basis. Income from equities and any pooled investment vehicles which distribute income, is accounted for on the date stocks are quoted ex-dividend/interest. The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments and unrealised changes in market value, including foreign exchange differences. In the case of pooled investment vehicles which are accumulation funds, change in market value also includes income, net of withholding tax, which is reinvested in the fund.
- (c) Investment Management Fees:** Investment Management fees are calculated as a percentage of the assets under management and these fees are borne by the Scheme. Fees relating to unitised funds are not levied directly but are reflected in unit prices and also borne by the Scheme.
- (d) Contributions:** Normal contributions, both from the members and from the sponsor, 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. In addition to their normal contributions under the Scheme, members may make additional voluntary contributions to acquire further benefits on a money purchase basis. Such contributions are invested together with the main assets of the Scheme and are reflected in these financial statements.
- (e) Benefits Payable/Payments to and on account of leavers:** Benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken or if there is no member choice, on the date of retirement or leaving service.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS – Continued:

(f) **Transfers to and from other Schemes:** Transfer values represent the capital sums either receivable in respect of members from other pension Schemes of previous sponsors or payable to the pension Scheme of the new sponsors 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 agreement.

(g) **Administrative Expenses:** Administrative Expenses are accounted for on an accruals basis.

4 Constitution of the Scheme and Taxation

The Scheme was established with effect from 1 June 2013 and is governed by a definitive trust deed dated 31 May 2013.

The Scheme has been approved as an “exempt approved scheme” for the purposes of Section 774 of the Taxes Consolidation Act 1997 and thus Scheme income and gains are generally exempt from taxation.

5 (i) Critical Accounting Judgements and Estimation Uncertainty

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trustee concludes that there are no critical accounting judgements reflected in these financial statements.

(ii) Critical Accounting Estimates and Assumptions

The Trustee makes estimates and assumptions concerning the future in the process of preparing the Financial Statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Trustee concludes that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

6 Benefits Offered

Pension benefits under the Scheme are provided on a defined contribution (money purchase) basis. Up-to-date accumulated values are furnished annually on an individual basis to each member. The death in service benefits are secured by policies underwritten by the insurer to the Scheme.

7 Contributions

	2023	2022
	€	€
<u>Sponsor</u>		
Normal	547,931	549,241
Death in Service Premiums	191,125	142,070
 <u>Members</u>		
Normal	616,385	617,875
Additional Voluntary Contributions	371,945	352,247
	1,727,386	1,661,433

**The Church of Ireland Clergy Defined Contribution Pension Scheme –
Republic of Ireland Section**

NOTES TO THE FINANCIAL STATEMENTS – Continued:

8 Benefits Payable

	2023	2022
	€	€
Retirements		
Commutation of Pensions	369,687	938,298
Refund of Contributions	547	8,039
Death Claim	69,307	-
	<u>439,541</u>	<u>946,337</u>

9 Other Payments

	2023	2022
	€	€
Death in Service Premium	191,125	142,070
	<u>191,125</u>	<u>142,070</u>

10 Administration Expenses

	2023	2022
	€	€
Pensions Authority Fees	1,504	1,496
	<u>1,504</u>	<u>1,496</u>

The administration and management of the pension scheme is provided by Zurich Life Assurance plc.

11 Reconciliation of Net Investments

Investment Assets	Opening Value	Purchases	Sales Proceeds	Change in Market Value	Closing Value
	€	€	€	€	€
Pooled Investment Vehicles	13,651,717	2,345,493	(1,277,956)	(203,977)	14,515,277

12 Pooled Investment Vehicles

	2023	2022
	€	€
Alternatives	593,440	474,680
Bonds	3,219,910	3,648,367
Cash	3,805,751	2,996,891
Commodity	275,446	-
Equity	5,216,834	5,135,656
Property	1,403,896	1,396,123
	<u>14,515,277</u>	<u>13,651,717</u>

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS – Continued:

13 Investment Management Expenses

	2023	2022
	€	€
Fund Management Charges	31,841	31,075
	<u>31,841</u>	<u>31,075</u>

The Investment Management of the Scheme is provided by Zurich Life Assurance plc. Mercer Aspire is provided by Mercer (Ireland) Limited and Zurich Life Assurance plc. as a unitised insurance policy with Zurich Life Assurance plc. The Scheme bears all costs.

14 Details of Investments

Investments purchased by the Scheme are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. The Investment Manager holds the investment units on a pooled basis for the Trustees. The Scheme administrator allocates investment units to members. The Trustees may hold investment units representing the value of employer contributions that have been retained by the Scheme that relate to members leaving the Scheme prior to vesting.

Investments include investments held in respect of Additional Voluntary Contributions from members.

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at the year-end, and profits and losses realised on the sale of investments held during the year. Where the investments are held in unitised funds, the change in market value also includes expenses both implicit and explicit for the year and any reinvested income, where the income is not distributed.

The Investment Manager is remunerated on a fee basis calculated as a percentage of the assets under management and these fees are reflected in unit prices and borne by the Scheme. All the above funds are managed funds. All of the funds are registered in the Republic of Ireland. The Investment Manager operating the managed funds is registered in the Republic of Ireland.

Transaction costs are included in the costs of purchases and sales proceeds. Transaction costs include costs directly charged to the Scheme such as fees, commissions, stamp duty and other fees. Indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amount of indirect transaction costs are not separately provided to the Scheme.

15 Additional Voluntary Contribution (AVC) Investments

Members may make additional contributions as AVC's and such contributions are accounted for on an accruals basis in the month in which they have been deducted from payroll. These contributions are invested with all other assets and are not separately distinguishable. The amount any Employee can pay over the contribution rates stated in the Scheme rules is dependent on their age. The Revenue Commissioner has prescribed maximum contribution rates based on an individual's age.

16 Fair Value of Investments

In line with the guidelines set out in the Statement of Recommended Practice (SORP) (Revised 2018) and FRS 102, the market value of investments has been determined using the following hierarchy:

- *Level 1*: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can assess at the measurement date.
- *Level 2*: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- *Level 3*: Inputs are unobservable (i.e. for which market data is unobservable) for the asset or liability.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS – Continued:

Pooled investment vehicles which are traded regularly are generally included under *Level 2*. Where the absence of regular trading or the unsuitability of recent transaction prices as a proxy for market value applies, valuation techniques are adopted and the vehicles are included under *Level 3*.

The Scheme's investment assets have been included at fair value within the following level:

Investment Assets	Level 1 €	Level 2 €	Level 3 €	2023 Total €
Pooled Investment Vehicles	-	14,515,277	-	14,515,277

Investment Assets	Level 1 €	Level 2 €	Level 3 €	2022 Total €
Pooled Investment Vehicles	-	13,651,717	-	13,651,717

17 Investment Risk

Types of Risk relating to Investments

FRS 102 requires the disclosure of information in relation to certain investment risks.

- **Credit Risk:** This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- **Market Risk:** This is composed of currency risk, interest rate risk and other price risk.
- **Currency Risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- **Interest Rate Risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- **Other Price Risk:** this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme has exposure to these risks because of the investments it makes in the investment strategies chosen. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment managers and monitored by the Trustees by regular reviews of the investment portfolio.

The following Table outlines the extent to which the various classes of investments are affected by financial risks:

Investment Assets	Credit Risk	Market Risk			Value	
		Currency	Interest Rate	Other Price	2023 €	2022 €
Alternatives	Slight Risk	Partial Risk	Slight Risk	Significant Risk	593,440	474,680
Bonds	Significant Risk	Partial Risk	Significant Risk	Slight Risk	3,219,910	3,648,367
Cash	Significant Risk	Partial Risk	Slight Risk	Slight Risk	3,805,751	2,996,891
Commodity	Slight Risk	Significant Risk	Slight Risk	Partial Risk	275,446	-
Equity	Slight Risk	Partial Risk	Slight Risk	Significant Risk	5,216,834	5,135,656
Property	Partial Risk	Partial Risk	Slight Risk	Significant Risk	1,403,896	1,396,123
Total:					14,515,277	13,651,717

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS – Continued:

Further information on the Trustees' approach to risk management, credit and market risk is set out below.

Investment strategy

The Trustees' objective is to make available to members of the Scheme an appropriate range of investment options designed to generate income and capital growth, which together with new contributions from members and their employer, will provide a retirement amount with which the member can purchase a pension annuity (or other type of retirement product). The SIPP outlines the investment objectives and strategy.

The investment funds offered to members are provided by Zurich Life Assurance plc. These are funds specifically created for this Scheme which are invested in other funds available through the Mercer Aspire platform.

The Trustees have an investment management agreement in place with Zurich Life Assurance plc. The day-to-day management of the underlying investments of the funds is the responsibility of Zurich Life Assurance plc, including the direct management of credit and market risks.

The Trustees monitor the underlying risks by seeking regular investment updates from the Investment Manager. The risks disclosed here relate to the schemes investments as a whole. Members are able to choose their own investments from the range of funds offered by the Trustees and therefore may face a different profile of risks from their individual choices compared with the Scheme as a whole.

Credit risk

The Scheme is subject to direct credit risk in relation to Zurich Life Assurance plc as the Scheme's investments are held by way of a policy of assurance with Zurich Life Assurance plc. The investments are held in unit linked insurance funds provided and monitored by Mercer Global Investments Europe Limited. Zurich Life Assurance plc and Mercer Global Investments Europe Limited are regulated by the Central Bank of Ireland. Zurich Life Assurance plc maintains separate funds for its policy holders. The Trustee monitors the creditworthiness of Zurich Life Assurance plc by reviewing published credit ratings.

Mercer Aspire is provided by Mercer (Ireland) Limited and Zurich Life Assurance plc. as a unitised insurance policy with Zurich Life Assurance plc. The underlying investment managers for all Mercer Aspire portfolios and funds are selected and monitored by Mercer Global Investments Europe Limited.

The Scheme is also subject to indirect credit and market risk arising from the underlying investments held in the investment funds. Member level risk exposures will be dependent on the funds invested in by members. Management of the underlying pooled investment vehicles is delegated to a professional investment manager. The Trustee regularly review the appropriateness of the funds made available to members and monitor the performance of the investment manager. The underlying assets of the pooled arrangements are ring fenced from the pooled manager.

The Trustees only invest in funds where the financial instruments and all counterparties are at least investment grade.

Market risk

Defined contribution schemes are subject to indirect foreign exchange, interest rate and other price risk arising from the underlying financial instruments held in the funds managed by Zurich Life Assurance plc, the underlying investment managers for all Mercer Aspire portfolios and funds are selected and monitored by Mercer Global Investments Europe Limited.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS – Continued:

18 Concentration of Investments

Investments accounting for more than 5% of the net assets of the Scheme were:

<i>Pooled Investment Vehicles</i>	2023		2022	
	Value	%	Value	%
Aspire Moderate Growth C *	10,103,791	72.87	10,038,726	72.87
Euro Cash I*	3,751,808	21.69	2,988,042	21.69

* These investments are pooled investment vehicles which have multiple underlying assets none of which exceeds 5% of the net assets of the Scheme.

19 Employer Related Investment

There were no employer related investments at any time during the year.

20 Current Assets

	2023	2022
	€	€
Designated to Members		
Gross Contribution Due		
Sponsor Normal	47,148	43,964
Employee Normal	53,038	49,460
Additional Voluntary Contribution	15,623	16,157
Cash	3,692	14,082
	119,501	123,663

The Gross Contribution Due was received on 7th June 2023.

21 Contingencies and Commitments

As stated in note 2 of these 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 the year end.

22 Related Party Transactions

Related Party balances and transactions comprise

(a) **The Trustee:** The Trustee of the Scheme is outlined on page 3 of this report. The directors of the trustee company are listed on page 3 of this report. None of the directors during the year were members of the Scheme.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

NOTES TO THE FINANCIAL STATEMENTS – Continued:

- (b) **Remuneration of the Trustee:** The Trustee did not receive and was not due any remuneration from the Scheme in connection with the management of the Scheme. Any Trustee fees have been borne by the Sponsor.
- (c) **Sponsor Company:** The various dioceses and parishes are the Principal Employers and employer contributions to the Scheme are made in accordance with the Trust Deed and within the time limits specified in law as noted in the Trustee's Report. The Representative Church Body is nominated as the Sponsoring Employer for administrative purposes. The Sponsor has borne the audit fees for the Scheme.
- (d) **The Registered Administrator:** Zurich Life Assurance plc, as the Registered Administrator, is remunerated on a fee basis and these fees are borne entirely by the Scheme. These fees are reflected in the change in market value and are borne by the Scheme. The cash balance held by Zurich Life Assurance plc at the scheme year end was €3,692; (2022: €14,083).
- (e) **The Investment Manager:** Mercer Aspire is provided by Mercer (Ireland) Limited and Zurich Life Assurance plc. as a unitised insurance policy with Zurich Life Assurance plc. The underlying investment managers for all Mercer Aspire portfolios and funds are selected and monitored by Mercer Global Investments Europe Limited. The investment managers are remunerated on a fee basis calculated as a percentage of the assets under management. These fees are reflected in the unit prices.
- (f) **The Consultant:** Mercer (Ireland) Limited was appointed by the Trustee as the financial advisor. The cost of any Consultants was borne by the Sponsor.

23 Climate Change

The Trustee does not consider that there is a current material climate change risk to the Scheme. However, given the maturity profile of the Scheme and the objective to fund future member benefits from the Scheme's assets as they fall due, the Trustee has a long-term time horizon over which it considers the financial materiality of ESG factors (including climate change). The Trustee continues to review the Scheme's approach to climate risk considerations and their current approach is documented in the Statement of Investment Policy Principles.

24 Other Events During the Year

The conflict between Russia and the Ukraine is taking place and this has led to volatility in both the commodity and equity markets. The Trustee is monitoring the impact of these events and working with their advisors to ensure the continued smooth running of the Scheme. The ultimate impact of these events on the Scheme is not possible to determine at this time.

25 Subsequent Events

There were no other significant events post year end that would require amendments to or disclosure in the Annual Report.

26 Approval of Financial Statements

The financial statements were approved by the Trustee on 28/02/2024.

The Church of Ireland Clergy Defined Contribution Pension Scheme – Republic of Ireland Section

APPENDICES

REPORT ON THE VALUATION OF LIABILITIES

As a defined contribution Scheme, all assets are held in respect of the liabilities for members' benefits expected to arise in the future with the exception of those assets that are not designated to members, which are ultimately due back to the sponsors.

The liabilities have been valued using the applicable market value of the corresponding assets at the year-end date. The current and future liabilities of the Scheme as at 31 May 2023 can be summarised as follows:

	Designated To Members €	Not Designated To Members €	Total €
Future Liabilities	14,634,778	-	14,634,778
Current Liabilities	-	-	-

Note 1: Current Liabilities are liabilities that have been identified as payable at the year-end date.

Note 2: Future Liabilities are all liabilities that become payable after the year end date and represent the value of the net assets of the Scheme at the year end.

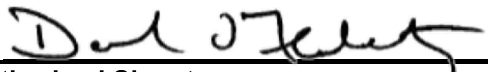
On behalf of the Trustee:



 Director

28/02/2024

 Date



 Authorised Signatory

28/02/2024

 Date