Let me start this report on the work of the Representative Church Body with a review of the financial outcome of our activities during 2022.

**Financial Outcome 2022**

The income from our investments – that is the withdrawal taken on a total return basis –was €6.43 million. In addition, there was other operating income of €0.94 million and €0.18 million profit on the disposal of fixed assets. In all, we had €7.55 million. The cost of operations and allocations came to €6.53 million and the amount applied to cost of living grants to retired clergy was €0.95 million. This resulted in a surplus for the year of €70,000. The slide now shown reports the total income and the respective surpluses for the last five years.

[Slide 1]

**Finance Department**

The Finance Department has performed its work to a high professional standard producing accounts that earned the praise of the auditors PriceWaterhouseCoopers for their accuracy as well as compliments for the Finance team’s work throughout the year. The next slide illustrates some of what this entails. We are indebted to the department for the very professional and dedicated approach which they exhibit with a very time-constrained and heavy workload.

[Slide 2]

**Projects**

Across the RB there were a number of projects in 2022 which required input from Legal Department, Investment Department, Finance and Human Resources, which included the following:

* External Fund Manager onboarding
* IORP II Directive Implimentation
* Clergy Pension Fund Solvency Reviews
* New Payroll Software
* Guidance for Parish Charities Financial Statements

**Investment – Outsourcing**

This was the first year where our investments were managed by external fund managers. Significant change was required in our Investment Department and also in the Finance Department to meet the new requirements of accounting and reporting. The experience has been a positive one and we were pleased to be able to enhance the dividend on our unit trusts in December. The trend looks set to continue and we are cautiously optimistic that we might be able to further enhance the dividend soon.

**Pensions**

This area of activity has been one of the most challenging this year. Recognising that the pension funding agreement is coming to a conclusion in December 2023, a Pension Investment Group was established in 2021 to prepare for an exit from the arrangement. Assisted by our fund actuary, that group has grappled with the issues of solvency, future pension awards, establishing a contingent asset of €20 million to facilitate future growth, adapting to changing Pension Authority regulation and also trustee training requirements. We expect to be technically solvent by the year end but being technically solvent and being clear that we can return pensions to their intended level with future inflation proofing in years to come are two different matters.

While it seems that the 10-year funding plan agreed with the regulator, will deliver its intended objective of meeting the existing liabilities of the clergy pension fund, it is less certain that this will permit for any future increases to be made to pensions in payment under the old scheme.

It has always been the intention of the RB to return pensions to their intended level. That is, equivalent to what is expected by those working in society at large. As has become very obvious this last year, financial shocks can strike at any time and we would be wise to ensure that we retain the tools to provide the wherewithal for our clergy to meet their basic needs in retirement.

**Developments**

[Slide 3]

I reported last year on the development of Pioneer Ministry, at that stage still in an embryonic form. During 2022 this has now moved to a live project with its National Director, the Reverend Rob Jones, established in the leadership role together his team and with the Pioneer Ministry Council. There is a reporting framework in place on both financial and operational matters. The expectation is that 2024 will witness the identification of the first diocesan projects to be funded, and detailed planning for those projects will be undertaken.

[Slide 4]

CoI MindMatters has continued to fulfil expectations with the distribution of seed funding recently to 74 projects across the island and a review of success due shortly to help us plan for the future. We are very grateful to Benefact Trust for their very generous funding of this initiative, and to the Bishop of Meath and Kildare and her team for their exceptional organisation of the project.

In May the RCB introduced its flexible working scheme whereby RB staff could work from the office for a minimum of one day per week with the other days work from home. Whilst some staff still work five days in the office many have taken advantage of the scheme to work from home for a variety of days from one to four. The scheme was instituted for a year and its success is now being evaluated to determine if any adjustments need to be made.

The Library and Archives Committee had a busy year dealing, not only with their normal activities but also with the discovery of mould in some of our oldest books. This was as a result, indirectly, of Covid. Lack of movement in the stacks when the library was closed during lockdown meant that there was a lack of air circulation allowing humidity to build and mould to form. The books effected have now been restored and air circulation apparatus put in place to prevent any recurrence of the problem.

In Property & Trusts, the department has been as busy as ever throughout the year. We need to remind ourselves that we administer over 20,000 trusts and that sales and purchases of church buildings are constant. We are currently reviewing the structure of the department to ensure that we are adequately resourced.

**In conclusion**

As you can see, having come out of the pandemic the activity of the RCB is back to full stretch.

I would like to take this opportunity to thank the members of the committees of the RB who have given generously of their time and expertise during the year, also to the chairs of those committees who report on committee recommendations. To the staff of the RB, very ably lead by our Chief Officer, David Ritchie, I express my deep gratitude for all that you do.

Your Grace – I commend the report of the Representative Body to the members of Synod.