

MINISTERS' PENSION FUND

England & Wales · Charity number 235410

Details

Other names MINISTERS' PENSION AND INSURANCE FUND, MPF

Status Registered

Legal form Other

Registered 1965-05-24

Register [View on the Charity Commission register](#)

Contact

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Overton
Basingstoke
RG25 3EW

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Activities

Objects: TO ASSIST THE MINISTERS MENTIONED IN RULE 2 OF THE CONSTITUTION TO MAKE PROVISION FOR THEIR OLD AGE AND THEIR FAMILIES AFTER THEIR DEATH.

Activities: Is a pension provider for Unitarian ministers, lay pastors and their spouses

Classification

- **How:** Provides Other Finance
- **What:** Other Charitable Purposes
- **Who:** Other Defined Groups

Geography

- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£308,269	£518,840	-	-
2023-12-31	£323,525	£555,451	-	-
2022-12-31	£446,920	£594,096	-	-
2021-12-31	£325,067	£539,144	-	-
2020-12-31	£366,577	£617,669	-	-

Trustees

Name	Role	Appointed
Andrew Appleyard		2025-03-20
Hilda Marlow Dumbleton		2019-04-17
JEFFREY JAMES TEAGLE		2021-05-17
Jane Anne Couper		2020-07-14
Marion Baker		2016-03-31
Rev CAROLE LYNNE READETT		2021-01-14
Rev JEFFREY BOWES		2019-04-17

MINISTERS' PENSION FUND

England & Wales - Charity number 235410

Accounts

THE MINISTERS' PENSION FUND
REPORT AND ACCOUNTS
for the year ended 31 December 2024

THE MINISTERS' PENSION FUND

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for the year ended 31 December 2024

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THE MINISTERS' PENSION FUND
Trustees and Professional Advisers
as at 31 December 2024

Trustees

Rev J Bowes (Chairman)
Rev L Readett
Mrs M Baker (Treasurer)
Mrs H Dumbleton
Mrs J Couper
Mr J Teagle
A Appleyard (co-opted 20 March 2025)

Professional Advisers

Atkin Pensions
Cornwall House
Blythe Gate
Blythe Valley Park
Solihull B90 8AF

Investment Managers

BNY Mellon Fund Managers Ltd
160 Queen Victoria Street
London EC4V 4LA

Administrators

Atkin Pensions
Cornwall House
Blythe Gate
Blythe Valley Park
Solihull B90 8AF

Auditors

Scott Roberts Taylor & Co
Central Buildings 5-7 Corporation Street
Hyde, Cheshire, SK14 1AG

Solicitor

Roderick Ramage (Until May 2024)
Copenhale, Coppenhall,
Stafford ST18 9BW

Honorary Secretary
Jeffrey Teagle
15 Lordsfield Gardens
Overton
Basingstoke, RG15 3EW

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THE MINISTERS' PENSION FUND

Report of the Trustees

for the year ended 31 December 2024

The Trustees are pleased to submit their annual report on the operation of the Funds, together with the accounts of the Funds for the year ended 31 December 2024.

Constitution of Fund

The Ministers' Pension Fund was established in its present form on 1 January 1971 to provide retirement and death benefits to full-time ministers and others as more particularly described in the rules. It is a registered charity (reg. no. 235410) and is registered with HMRC under the Finance Act 2004 (reg. no. PSTR 00258294RP).

Regulatory Status

In March 2005 one of the solicitors employed by OPRA, the predecessor of the Pensions Regulator (TPR), involved in our negotiations with OPRA for an extension of time to comply with the minimum funding requirement, told our solicitor that the Department for Work and Pensions (DWP) had obtained separate legal opinions from two senior barristers that some church schemes, which had approached the DWP, would not be occupational pension schemes under the new definition of "occupational pension scheme" in s1 of the Pensions Act 1993, to be brought into force in substitution for the then present definition. On the basis of those opinions, he told our solicitor that, if the MPF were to apply to TPR, TPR would remove it from its register of pension schemes. The grounds for this is that the Fund was not established by employers for employees. The Fund did so apply and was removed from the register. HMRC confirmed that it remained a registered scheme under the tax regime for pension schemes.

The consequence of not being an occupational scheme is that the Fund is not subject to the statutory scheme specific funding requirements and is also no longer subject to the regulatory requirements of the 1993, 1995 and 2005 Acts; our solicitor will not say categorically that no regulatory requirement applies, as there may be some obscure regulations that do apply, which he has not found.

Whilst this leaves the Trustees to implement, with actuarial advice, the funding and investment decisions which they believe are in the best interests of the Fund and its members, the Trustees intend on a voluntary basis to apply the reporting and accounting obligations which apply to occupational schemes.

Trustees and Advisers

The names of the present Trustees are set out on page 3. Up to seven Trustees are elected by an annual meeting of the Fund (of whom not more than three shall be ministers) and three Trustees (of whom not more than one shall be a minister) are appointed by the Executive Committee of the General Assembly of Unitarian and Free Christian Churches. Trustees elected or appointed shall hold office for three years but shall be eligible for re-appointment.

Throughout 2024 the Fund was administered by the Trustees in accordance with the by-laws set out in schedule 1 of the general meeting of 11 April 2007, as updated by the general meetings of 8 November 2022 and 13 September 2023. The update of 13 September 2023 took effect from 1 January 2024.

On the recommendation of the Trustees, a general meeting may alter, amend, rescind or replace the by-laws in accordance with Rule 8 except for Rule 2 which shall not be alterable except in the event of amalgamation with any Society having similar or allied objects.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2024

The Board of Trustees is required to meet at least three times in every year. The votes of a majority of those present or participating shall decide all questions. During 2024, all meetings, including the Annual General Meeting, were held online by Zoom, in accordance with the powers granted at a General Meeting held on 4 October 2022.

The advisers to the Fund were appointed by the Trustees. The names of the present advisers are shown on page 3.

Data Protection Act 1998 ('the Act')

Under the Act, The Trustees (the Data Controller) are required to inform members that information is held about them and to notify members of the purposes for which the information is held. The Trustees use individual member information for the purposes of administering members' pension benefits. In order to do so, the Trustees will need to disclose member information to the Administrators and such other professional advisers and other third parties whom the Trustees have chosen to assist in the administration of the Fund. It may be necessary for the Trustees to hold certain information, such as medical or health details, which is deemed to be 'sensitive personal data' under the Act. The Act requires that if the Trustees hold such information, the express consent of the member is obtained.

A member may request details of personal information held by the Trustees. Requests for such information should be addressed to Mr Jeffrey Teagle, the Data Protection Officer appointed by the Trustees. If a member believes that information held by the Trustees is incorrect or incomplete, such information, if found to be incorrect or incomplete, will be promptly corrected.

The Trustees have produced a Data Protection Policy Statement, which has been circulated to all members and pensioners.

Actuarial position

The next full actuarial valuation will take place in 2026, based upon the annual results as at 31 December 2025.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2024

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Membership

	2024	2023
Contributing members at 1 January	29	28
Adjustments	2	-
New members (including rejoiners)	1	1
Retirees	(1)	-
	31	29
Contributing members at 31 December		
Deferred members at 1 January	17	21
Adjustments 2 - Retirees 0 (3)		
Transfer from contributors	0	0
Transferred out of Fund	0	0
Died	0	(1)
Transferred to contributors	0	0
	19	17
Deferred members at 31 December		
Pensioners (including widows) at 1 January	111	108
Adjustments	(9)	-
Contributing members retiring during the year	0	3
Deaths	(4)	(2)
Deferred members retiring during the year	1	0
Dependants' pensions	2	2
Trivial Commutation	0	0

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2024

Ex Widows Fund Annuities	<u>0</u>	<u>0</u>
Pensioners (including widows) at 31 December	101	111
Total membership as at 31 December	<u>151</u>	<u>157</u>

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Contributing members	2024	2023
Age profile		
Under 50		
Male	6	5
Female	<u>6</u>	<u>5</u>
	<u>12</u>	<u>10</u>
50 to 59		
Male	7	9
Female	<u>4</u>	<u>5</u>
	<u>11</u>	<u>14</u>
60 and over		
Male	7	3
Female	<u>1</u>	<u>2</u>
	<u>8</u>	<u>5</u>
TOTAL	<u>31</u>	<u>29</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2024

THE MINISTERS' PENSION FUND

Report of the Trustees - continued

for the year ended 31 December 2024

Benefit review

Following the actuarial valuation surplus of £394,000 reported in the 2023 accounts, following actuarial consultation, the Trustees awarded a one-off bonus to pensioners equal to one month's pension and payable in December 2024.

Additional Voluntary Contributions

Ministers are reminded that they may pay Additional Voluntary Contributions to the Ministers' Pension Fund of up to the maximum in one year of their Stipend and Manse Allowance. Such contributions are tax deductible and are not subject to any deduction for expenses of management.

In 2024, the number of Ministers making Additional Voluntary Contributions was 1 (2 last year). On 31 December 2024, taking into account the Nil% (Nil% last year) bonus granted, the value of the Contributors' balances was £48,077 for 8 Ministers (£45,077 for 8 Ministers last year). The annual bonus is now linked to the pensions increase policy determined by the Trustees after taking advice from the Actuary.

Review of the financial development of the Fund

The accounts for the year have been prepared and audited in accordance with the regulations made under section 41(I) and (6) of the Pensions Act 1995.

The value of the Fund increased as follows in the course of the year:

	This year	Last year
MPF by	Increase £110,967 (2.3%) to £5,022,076	Increase £43,287 (0.9%) to £4,911,109

This was after taking account of the excess of expenditure over income, (i.e. excluding changes in the market value of investments), which was

	This year	Last year
	£	£
Ministers' Pension Fund	(210,571)	(231,926)

Management of the Fund

The overall management of the Fund is vested in the Trustees who were appointed at the AGM on 9th July 2024 and whose names appear on Page 3 of this report. The management of the investment assets of the Fund is handled by BNY Mellon Fund Managers Ltd. There is no charge for this service as all the investments are BNY Mellon Funds and the individual funds charge a service fee.

THE MINISTERS' PENSION FUND**Report of the Trustees - continued****for the year ended 31 December 2024****Investment policy and performance**

The portfolio is invested in a selection of funds holding UK and overseas equities as well as fixed income assets. There is a restriction on direct investment in tobacco products. The policy followed reflects the investment objectives of meeting the Fund's long-term commitment to provide pension benefits linked to 'Maximum Stipend', 'Maximum Manse Allowance' and years of service. It is not the policy of the Trustees to concentrate investment assets but to achieve a wide spread of risk.

At 31 December 2024, the portfolio was invested in the following Funds (at market values):

Ministers' Pension Fund	2024	2023
	£	£
Newton Growth and Income Fund for Charities	3,300,243	3,530,699
Newton SRI Fund for Charities	1,427,589	1,355,697
Newton Global Higher Income Fund	<u>2,287</u>	<u>2,185</u>
	<u>4,730,119</u>	<u>4,888,581</u>

THE MINISTERS' PENSION FUND

Report of the Trustees - continued

for the year ended 31 December 2024

The Current situation

1. Communications

Copies of annual reports are sent to all Members. A record of service and a benefit statement is due to be sent to all contributing Members.

2. Indemnity Insurance

The Trustees have again taken out trustee indemnity insurance during the year. The relevant authority has been granted by the Charity Commissioners.

3. The expenses of the Fund

The administrative expenses at £59,907 represent 1.2% (£66,819 and 1.4% last year) of the value of the Fund. It remains the Trustees' aim not to exceed 1.5%, subject to any adverse movement in the value of our investments.

4. Donation from Ministers Benevolent Society

Following the decision by the trustees of the Ministers Benevolent Society to gift annual surpluses to the Fund, during 2024 payments of £10,000 were received (2023 £30,000).

5. Strategic Review

During 2023, the trustees gave prime consideration to the complexities of transferring the administration of the Fund from Mercer to Atkin Pensions, a course of action that had been a direct result of the strategic review process. Although the 2022 donation of £125,000 from the Thornton Fund assisted in improving the financial standing of the Fund, the trustees are aware of the need to undertake a further strategic review.

Report of the Trustees - continued

for the year ended 31 December 2024

Statement of Trustees' responsibilities for the accounts

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the Auditors as stated in their report.

Although they are not required to do so, the Trustees have, under the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996, obtained audited accounts showing a true and fair view of the financial transactions of the Fund during the year and of the disposition, at the end of the year, of those of the Fund's assets and liabilities which would be required by statute to be included. Those accounts state whether they have been prepared in accordance with the Statement of Recommended Practice on pension scheme accounts and disclose other information specified in the Regulations.

The Trustees were formerly responsible under section 58 of the Pensions Act 1995 and the MFR Regulations for ensuring that there is prepared, maintained and from time to time revised, a schedule of contributions showing the rates of contributions payable to the Fund by or on behalf of the congregations and the active members of the Fund and the dates on or before which such contributions are to be paid. The Trustees are also responsible, as a principle of good practice, for keeping records in respect of the contributions received in respect of the active members of the Fund and for procuring contributions that are made in accordance with the schedule of contributions.

These requirements, in conjunction with the general law relating to trusts, imply that the Trustees are also expected to:

- (i) maintain accounting records and select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent; and
- (ii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts: and
- (iii) safeguard the Funds' assets, and hence take reasonable steps for the prevention and detection of error, fraud and other irregularities.

On behalf of the Trustees

.....Rev Jeffrey Bowes (Chairman)

.....Mrs Marion Baker (Hon Treasurer)

Date:

**Auditors' Report to the Trustees
for the year ended 31 December 2024**

Opinion We have audited the financial statements of the Ministers' Pension Fund ('the Scheme') for the year ended 31 December 2024 which comprise the Revenue Accounts, Net Assets Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the state of the financial transactions of the Scheme during the year ended 31 December 2024, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

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Auditors' Report to the Trustees - continued
for the year ended 31 December 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the legal and regulatory frameworks applicable to the scheme. We determined that the Pensions Act 1995 were the regulations most significant.

We obtained an understanding of how the scheme is complying with the Pension Act 1995 by making enquiries to the management.

We assessed the susceptibility of the scheme's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;

- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- identifying and testing journal entries, in particular and journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Auditors' Report to the Trustees - continued
for the year ended 31 December 2024

Use of our report

This report is made solely to the members, as a body, in accordance with the Pensions Act 1995. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Adrian Brooks FCCA (Senior Statutory Auditor) For
and on behalf of Scott Roberts Taylor & Co.
Accountants and Statutory Auditors
Central Buildings
5/7 Corporation Street
Hyde
Cheshire
SK14 1AG

.....

Date: .

for the year ended 31 December 2024 **Revenue account**

	Notes	2024	2023
		£	£
Contributions and benefits			
Contributions receivable and similar income	3	199,134	205,309
Benefits payable	4	453,047	484,364
Other Payments	5	5,886	4,268
Administrative expenses	6	59,907	66,819
		<u>(518,840)</u>	<u>(555,451)</u>
Net contributions/ (withdrawals) from		(350,142)	(350,142)

dealing with members (319,706)

Returns on Investments

Investment income	7	109,135	118,216
Increase/(Reduction) in Market Value of Investments	9	291,489	273,510
Profit on Disposal of Investments	9	30,049	1,703
Net Return on investments		430,673	393,429
Net Increase/(Reduction) in Fund during year		110,967	43,287
Net Assets at beginning of year		4,911,109	4,867,822
Net Assets at end of year		5,022,076	4,911,109

The notes on pages 17 to 20 form part of these accounts

**Net assets statement
As at 31 December 2024**

Assets not designated to members	Notes	2024	2023
		£	£
Investments	8	4,730,119	4,888,581

Current Assets

Debtors	10	3,694	6,516
Cash at Bank		<u>374,142</u>	<u>95,502</u>
		377,836	102,018
Less Current Liabilities			
Creditors	11	<u>(85,879)</u>	<u>(79,490)</u>
Net Current Assets		<u>291,957</u>	<u>22,528</u>
Net assets at 31 December 2024		<u>5,022,076</u>	<u>4,911,109</u>

These accounts were approved on

Signed on behalf of the Trustees

Rev Jeffrey Bowes (Chairman)

The notes on pages 17 to 20 form part of these accounts

for the year ended 31 December 2024

1. Basis of accounting

Although they do not apply to the Fund, the accounts have been prepared in accordance with the Occupational Pensions Funds (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996 and with the guidelines set out in the statement of Recommended Practice Financial Reports of Pension Schemes. In so doing, the Fund has departed from certain provisions contained within the Charities (Accounting and Reporting) Regulations 1995.

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

The actuarial position of the Fund, which does take account of such liabilities, is dealt with in the actuarial statement on page 21 which, together with these accounts, constitute part of the Fund's annual report. The accounts should be read in conjunction with the actuarial statements. The last full actuarial valuation was prepared as at 31st December 2022.

2. Accounting policies

(a) Investments

(i) Listed investments are included in the statement of net assets at their middle market values at the accounting date.

(b) Contributions and similar income

(i) Contributions and similar income are brought into account on an accruals basis.

(ii) Grants and donations receivable and payable are accounted for on an accruals basis.

(c) Investment income

Investment income is brought into account when it is received by the Fund.

(d) Bank deposit interest

Interest from bank deposits is accounted for on an accruals basis.

3. Contributions receivable and similar income	2024	2023
	£	£
Contributions by ministers	93,067	85,421
Ministers' additional voluntary contributions	3,000	4,422
Contributions by congregations	93,067	85,421
Subscriptions from Ministers Benevolent Society and donations	10,000	30,045
	199,134	205,309

THE MINISTERS' PENSION FUND

Notes to the accounts – continued
for the year ended 31 December 2024

4. Benefits payable	2024	2023
	£	£
Pensions payable and Widows Fund Annuities	437,645	413,462
Lump sums payable	15,402	70,902

5. Other payments

Death Benefit policy premiums

453,047	484,364
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2024	2023
£	£
5,886	4,268

5,886	4,268
--------------	--------------

2024	2023
£	£
49,679	52,372
3,900	3,460
-	6,120
3,600	3,200
1,004	-
-	56
1,724	1,611
59,907	66,819

2024	2023
£	£
109,135	118,184
-	32
109,135	118,216

6. Administrative expenses

Administration charges & Actuarial fees
Audit fees
Legal fees
Accountancy and Secretarial fees
Bank Charges
Travel and meeting expenses
Trustees Liability Insurance

7. Investment income

Dividends from equities
Interest on cash deposits

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THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2024

8. Investments	2024	2023	
		Cost	Market Value

	£	£	£	£
- Overseas Equities	2,436,589	4,730,119	2,683,711	4,888,581
	<u>2,436,589</u>	<u>4,730,119</u>	<u>5,287</u>	<u>4,888,581</u>

9. Movement in Investments

	Market Value	
	2024	2023
	£	£
Investments at beginning of year	4,888,581	4,822,683
Investments purchased during year	-	685
Proceeds from Investments sold during year	(480,000)	(210,000)
	<u>4,408,581</u>	<u>4,613,368</u>
Net increase/(reduction) in market value during year	321,538	275,213
Market Value of Investments held at end of year	<u>4,730,119</u>	<u>4,888,581</u>

Notes to the accounts – continued
for the year ended 31 December 2024

10. Debtors	2024	2023		
			£	£
Contributions owed			1,870	6,516
Other debtors			1,824	-
			<hr/>	<hr/>
			3,694	6,516
			<hr/>	<hr/>

11. Creditors	2024	2023		
			£	£
Accrued expenses			85,879	79,490
			<hr/>	<hr/>
			85,879	79,490
			<hr/>	<hr/>

12 Taxation

The Fund is exempt approved under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 and was not liable to UK income tax on interest and dividends or to capital gains tax.



THE MINISTERS' PENSION FUND

Actuarial statement made for the purpose of disclosure of Information

Actuarial statement made for the purpose of disclosure of information

The Trustees have requested a statement regarding the funding position and contributions required notwithstanding the fact that the Fund is not subject to the requirements of the Pensions Act 2004.

The Security of Prospective Rights

On the basis of the assumptions that were adopted for this valuation, the Fund had a surplus, in relation to accrued benefits, of £394,000 as at 31 December 2022. This represented a funding level of 109%.

It is likely that current contribution levels will be sufficient to cover the accrual of future service.

At the valuation date, contributions were being paid are as set out below:

By Ministers: 10.0% of the total of Stipends and Manse Allowances

By the Churches: 10.0% of the total of Stipends and Manse Allowances

It is recommended that contributions continue to be paid at their current level in order to protect the Fund against potential adverse experience in the future.

Summary of Methods and Assumptions Used

A Projected Unit Method of valuation was used. The funding position at the valuation date was derived by comparing the liabilities for benefits earned before the valuation date with the value of the assets. The liabilities for benefits to be earned in the year after the valuation date were assessed and compared with the value of the contributions due from the Ministers and the Congregations under the By-Laws. The assumptions used include only small margins for prudence and the Fund remains vulnerable to unfavourable experience particularly in relation to the investments and mortality experience.

The assets of the Fund have been valued at their market value as reported in the Accounts. The Trustees should continue to review their investment strategy in light of the increasing maturity of the Fund.

Further details can be obtained from the full actuarial valuation report as at 31 December 2022. The next valuation exercise should be carried out no later than 31 December 2025.

Name: Christopher Mark Atkin

Qualification: FIA

Address: Cornwall House, Blythe Gate
Valley Park, Solihull, B90 8AF

Name of employer: Atkin Pensions Blythe

THE MINISTERS' PENSION FUND
Appendix 1

Statement of Financial activities
for the year ended 31 December 2024

INCOME AND EXPENDITURE		Unrestricted funds		Unrestricted funds	
		2024		2023	
Notes		£	£	£	£
Incoming resources					
Contributions receivable and similar income	3		199,134		205,309
Investment income	7		109,135		118,216
			<u>308,269</u>		<u>323,525</u>
Resources expended					
Direct expenditure – benefits payable	4	453,047		484,364	
Direct expenditure – other payments	5	5,886		4,268	
Management and administration expenses	6	59,907		66,819	
			<u>(518,840)</u>		<u>(555,451)</u>
Net outgoing resources for the year			(210,571)	(231,926)	
Increase in market value of investments	9	291,489		273,510	
Profit on Disposal of Investments	9	30,049		1,703	
			<u>321,538</u>		<u>275,213</u>

Net movement in funds	110,967	43,287
Balances brought forward at 1 January	4,911,109	4,867,822
Balances carried forward at 31 December	5,022,076	4,911,109

MINISTERS' PENSION FUND

England & Wales - Charity number 235410

Accounts

THE MINISTERS' PENSION FUND
REPORT AND ACCOUNTS
for the year ended 31 December 2023

THE MINISTERS' PENSION FUND

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for the year ended 31 December 2023

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Trustees

Rev J Bowes (Chairman)
Rev L Readett
Mrs M Baker (Treasurer)
Mrs H Dumbleton
Mrs J Couper
Mr J Teagle

Professional Advisers

Atkin Pensions
Blythe Gate
Blythe Valley Park
Solihull B90 8AF

Investment Managers

BNY Mellon Fund Managers Ltd
160 Queen Victoria Street
London EC4V 4LA

Administrators

Mercers (Until 31 August 2023)
12 Booth Street
Manchester M2 4AW

Atkin Pensions (from 1 September 2023)
Cornwall House
Blythe Gate
Blythe Valley Park
Solihull
B90 8AF

Auditors

Scott Roberts Taylor & Co
Central Buildings 5-7 Corporation Street
Hyde, Cheshire, SK14 1AG

Solicitor

Roderick Ramage
Copenhale, Copenhall,
Stafford ST18 9BW

Honorary Secretary

Jeffrey Teagle
15 Lordsfield Gardens
Overton
Basingstoke, RG15 3EW

The Trustees are pleased to submit their annual report on the operation of the Funds, together with the accounts of the Funds for the year ended 31 December 2023.

Constitution of Fund

The Ministers' Pension Fund was established in its present form on 1 January 1971 to provide retirement and death benefits to full-time ministers and others as more particularly described in the rules. It is a registered charity (reg. no. 235410) and is registered with HMRC under the Finance Act 2004 (reg. no. PSTR 00258294RP).

Regulatory Status

In March 2005 one of the solicitors employed by OPRA, the predecessor of the Pensions Regulator (TPR), involved in our negotiations with OPRA for an extension of time to comply with the minimum funding requirement, told our solicitor that the Department for Work and Pensions (DWP) had obtained separate legal opinions from two senior barristers that some church schemes, which had approached the DWP, would not be occupational pension schemes under the new definition of "occupational pension scheme" in s1 of the Pensions Act 1993, to be brought into force in substitution for the then present definition. On the basis of those opinions, he told our solicitor that, if the MPF were to apply to TPR, TPR would remove it from its register of pension schemes. The grounds for this is that the Fund was not established by employers for employees. The Fund did so apply and was removed from the register. HMRC confirmed that it remained a registered scheme under the tax regime for pension schemes.

The consequence of not being an occupational scheme is that the Fund is not subject to the statutory scheme specific funding requirements and is also no longer subject to the regulatory requirements of the 1993, 1995 and 2005 Acts; our solicitor will not say categorically that no regulatory requirement applies, as there may be some obscure regulations that do apply, which he has not found.

Whilst this leaves the Trustees to implement, with actuarial advice, the funding and investment decisions which they believe are in the best interests of the Fund and its members, the Trustees intend on a voluntary basis to apply the reporting and accounting obligations which apply to occupational schemes.

Trustees and Advisers

The names of the present Trustees are set out on page 3. Up to seven Trustees are elected by an annual meeting of the Fund (of whom not more than three shall be ministers) and three Trustees (of whom not more than one shall be a minister) are appointed by the Executive Committee of the General Assembly of Unitarian and Free Christian Churches. Trustees elected or appointed shall hold office for three years but shall be eligible for re-appointment.

Throughout 2023, the Fund was administered by the Trustees in accordance with the bye-laws set out in schedule 1 of the constitution approved at the general meeting held on 11 April 2007. The bye-laws were further updated on 8 November 2022 and 13 September 2023 under the advice of the Fund's Solicitor, Roderick Ramage, and the Actuary and will take effect on 1 January 2024.

On the recommendation of the Trustees, a general meeting may alter, amend, rescind or replace the bye-laws in accordance with Rule 8 except for Rule 2 which shall not be alterable except in the event of amalgamation with any Society having similar or allied objects

The Board of Trustees is required to meet at least three times in every year. The votes of a majority of those present or participating shall decide all questions. During 2023, all meetings, including the Annual General Meeting, were held online by Zoom, in accordance with the powers granted at a General Meeting held on 4 October 2022.

The advisers to the Fund were appointed by the Trustees. The names of the present advisers are shown on page 3.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2023

Data Protection Act 1998 ('the Act')

Under the Act, The Trustees (the Data Controller) are required to inform members that information is held about them and to notify members of the purposes for which the information is held. The Trustees use individual member information for the purposes of administering members' pension benefits. In order to do so, the Trustees will need to disclose member information to the Administrators and such other professional advisers and other third parties whom the Trustees have chosen to assist in the administration of the Fund. It may be necessary for the Trustees to hold certain information, such as medical or health details, which is deemed to be 'sensitive personal data' under the Act. The Act requires that if the Trustees hold such information, the express consent of the member is obtained.

A member may request details of personal information held by the Trustees. Requests for such information should be addressed to Mr Jeffrey Teagle, the Data Protection Officer appointed by the Trustees. If a member believes that information held by the Trustees is incorrect or incomplete, such information, if found to be incorrect or incomplete, will be promptly corrected.

The Trustees have produced a Data Protection Policy Statement, which has been circulated to all members and pensioners.

Actuarial position

A full actuarial valuation was prepared as at 31 December 2022. The completion of the 2022 valuation was delayed by the transfer of administration from Mercer. The valuation reported a surplus on the fund to the sum of £394,000.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2023

Membership

	2023	2022
Contributing members at 1 January	28	33
New members (including rejoiners)	1	2
Retirees	-	(7)
	29	28
Deferred members at 1 January	21	15
Retirees	(3)	0
Transfer from contributors	0	6
Transferred out of Fund	0	0
Died	(1)	0
Transferred to contributors	0	0
	17	21
Pensioners (including widows) at 1 January	108	110
Contributing members retiring during the year	3	2
Deaths	(2)	(5)
Deferred members retiring during the year	0	0
Dependants' pensions	2	3
Trivial Commutation	0	(2)
Ex Widows Fund Annuities	0	0
Pensioners (including widows) at 31 December	111	108
Total membership as at 31 December	157	157

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2023

Contributing members		2023	2022
Age profile			
Under 50	Male	5	6
	Female	5	4
		<u>10</u>	<u>10</u>
50 to 59	Male	9	9
	Female	5	4
		<u>14</u>	<u>13</u>
60 and over	Male	3	3
	Female	2	2
		<u>5</u>	<u>5</u>
TOTAL		<u>29</u>	<u>28</u>

THE MINISTERS' PENSION FUND

Report of the Trustees - continued

for the year ended 31 December 2023

Benefit review

Following a review of the Fund's investment performance and after consultation with the Actuary, no increase to pensions has been given with effect from 1.1.2019. It was proposed at the 2012 Annual Meeting to delete the necessity to provide the statutory increase currently provided by the constitution.

Additional Voluntary Contributions

Ministers are reminded that they may pay Additional Voluntary Contributions to the Ministers' Pension Fund of up to the maximum in one year of their Stipend and Manse Allowance. Such contributions are tax deductible and are not subject to any deduction for expenses of management.

In 2023, the number of Ministers making Additional Voluntary Contributions was 2 (4 last year). On 31 December 2023, taking into account the Nil% (Nil% last year) bonus granted, the value of the Contributors' balances was £45,077 for 8 Ministers (£62,115 for 9 Ministers last year). The annual bonus is now linked to the pensions increase policy determined by the Trustees after taking advice from the Actuary.

Review of the financial development of the Fund

The accounts for the year have been prepared and audited in accordance with the regulations made under section 41(I) and (6) of the Pensions Act 1995.

The value of the Fund increased as follows in the course of the year:

	This year	Last year
MPF by	Increase £43,287 (0.9%) to £4,911,109	Decrease £544,542 (10.1%) to £4,867,822

This was after taking account of the excess of expenditure over income, (i.e. excluding changes in the market value of investments), which was

	This year	Last year
	£	£
Ministers' Pension Fund	(231,926)	(147,176)

Management of the Fund

The overall management of the Fund is vested in the Trustees who were appointed at the AGM on 13th September 2023 and whose names appear on Page 3 of this report. The management of the investment assets of the Fund is handled by BNY Mellon Fund Managers Ltd. There is no charge for this service as all the investments are BNY Mellon Funds and the individual funds charge a service fee.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2023

Investment policy and performance

The portfolio is invested in a selection of funds holding UK and overseas equities as well as fixed income assets. There is a restriction on direct investment in tobacco products. The policy followed reflects the investment objectives of meeting the Fund's long-term commitment to provide pension benefits linked to 'Maximum Stipend', 'Maximum Manse Allowance' and years of service. It is not the policy of the Trustees to concentrate investment assets but to achieve a wide spread of risk.

At 31 December 2023, the portfolio was invested in the following Funds (at market values):

Ministers' Pension Fund	2023	2022
	£	£
Newton Growth and Income Fund for Charities	3,530,699	3,437,448
Newton SRI Fund for Charities	1,355,697	1,278,937
Newton Global Higher Income Fund	<u>2,185</u>	<u>106,298</u>
	<u>4,888,581</u>	<u>4,822,683</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2023

The Current situation

1. Communications

Copies of annual reports are sent to all Members. A record of service and a benefit statement is due to be sent to all contributing Members.

2. Indemnity Insurance

The Trustees have again taken out trustee indemnity insurance during the year. The relevant authority has been granted by the Charity Commissioners.

3. The expenses of the Fund

The administrative expenses at £66,819 represent 1.4% (£64,815 and 1.3% last year) of the value of the Fund. It remains the Trustees' aim not to exceed 1.5%, subject to any adverse movement in the value of our investments.

4. Donation from Ministers Benevolent Society

Following the decision by the trustees of the Ministers Benevolent Society to gift annual surpluses to the Fund, during 2023 payments of £30,000 were received (2022 £20,000).

5. Strategic Review

During 2023, the trustees gave prime consideration to the complexities of transferring the administration of the Fund from Mercer to Atkin Pensions, a course of action that had been a direct result of the strategic review process. Although the 2022 donation of £125,000 from the Thornton Fund assisted in improving the financial standing of the Fund, the trustees are aware of the need to undertake a further strategic review.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2023

Statement of Trustees' responsibilities for the accounts

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the Auditors as stated in their report.

Although they are not required to do so, the Trustees have, under the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996, obtained audited accounts showing a true and fair view of the financial transactions of the Fund during the year and of the disposition, at the end of the year, of those of the Fund's assets and liabilities which would be required by statute to be included. Those accounts state whether they have been prepared in accordance with the Statement of Recommended Practice on pension scheme accounts and disclose other information specified in the Regulations.

The Trustees were formerly responsible under section 58 of the Pensions Act 1995 and the MFR Regulations for ensuring that there is prepared, maintained and from time to time revised, a schedule of contributions showing the rates of contributions payable to the Fund by or on behalf of the congregations and the active members of the Fund and the dates on or before which such contributions are to be paid. The Trustees are also responsible, as a principle of good practice, for keeping records in respect of the contributions received in respect of the active members of the Fund and for procuring contributions that are made in accordance with the schedule of contributions.

These requirements, in conjunction with the general law relating to trusts, imply that the Trustees are also expected to:

- (i) maintain accounting records and select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent; and
- (ii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts: and
- (iii) safeguard the Funds' assets, and hence take reasonable steps for the prevention and detection of error, fraud and other irregularities.

On behalf of the Trustees

.....Rev Jeffrey Bowes (Chairman)

.....Mrs Marion Baker (Hon Treasurer)

Date:

Opinion

We have audited the financial statements of the Ministers' Pension Fund ('the Scheme') for the year ended 31 December 2023 which comprise the Revenue Accounts, Net Assets Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the state of the financial transactions of the Scheme during the year ended 31 December 2023, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the legal and regulatory frameworks applicable to the scheme. We determined that the Pensions Act 1995 were the regulations most significant.

We obtained an understanding of how the scheme is complying with the Pension Act 1995 by making enquiries to the management.

We assessed the susceptibility of the scheme's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- identifying and testing journal entries, in particular and journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members, as a body, in accordance with the Pensions Act 1995. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Adrian Brooks FCCA (Senior Statutory Auditor)
For and on behalf of Scott Roberts Taylor & Co.
Accountants and Statutory Auditors
Central Buildings
5/7 Corporation Street
Hyde
Cheshire
SK14 1AG

.....

Date: .

THE MINISTERS' PENSION FUND
Revenue account
for the year ended 31 December 2023

	Notes	2023		2022	
		£	£	£	£
Contributions and benefits					
Contributions receivable and similar income	3		205,309		336,207
Benefits payable	4	484,364		524,545	
Other Payments	5	4,268		4,736	
Administrative expenses	6	66,819		64,815	
			(555,451)		(594,096)
Net contributions/ (withdrawals) from dealing with members			(350,142)		(257,889)
Returns on Investments					
Investment income	7	118,216		110,713	
Increase/(Reduction) in Market Value of Investments	9	273,510		(398,942)	
Profit/(Loss) on Disposal of Investments	9	1,703		1,576	
Net Return on investments			393,429		(286,653)
Net Increase/(Reduction) in Fund during year			43,287		(544,542)
Net Assets at beginning of year			4,867,822		5,412,364
Net Assets at end of year			4,911,109		4,867,822

The notes on pages 17 to 20 form part of these accounts

THE MINISTERS' PENSION FUND**Net assets statement****As at 31 December 2023**

Assets not designated to members	Notes		2023		2022
		£	£	£	£
Investments	8		<u>4,888,581</u>		<u>4,822,683</u>
Current Assets					
Debtors	10	6,516		1,739	
Cash at Bank		<u>95,502</u>		<u>113,402</u>	
			102,018		115,141
Less Current Liabilities					
Creditors	11		<u>(79,490)</u>		<u>(70,002)</u>
Net Current Assets			<u>22,528</u>		<u>45,139</u>
Net assets at 31 December 2023			<u>4,911,109</u>		<u>4,867,822</u>

These accounts were approved on

Signed on behalf of the Trustees

Rev Jeffrey Bowes (Chairman)The notes on pages 17 to 20 form part of
these accounts

1. Basis of accounting

Although they do not apply to the Fund, the accounts have been prepared in accordance with the Occupational Pensions Funds (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996 and with the guidelines set out in the statement of Recommended Practice Financial Reports of Pension Schemes. In so doing, the Fund has departed from certain provisions contained within the Charities (Accounting and Reporting) Regulations 1995.

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

The actuarial position of the Fund, which does take account of such liabilities, is dealt with in the actuarial statement on page 21 which, together with these accounts, constitute part of the Fund's annual report. The accounts should be read in conjunction with the actuarial statements. The last full actuarial valuation was prepared as at 31st December 2022.

2. Accounting policies

(a) Investments

- (i) Listed investments are included in the statement of net assets at their middle market values at the accounting date.

(b) Contributions and similar income

- (i) Contributions and similar income are brought into account on an accruals basis.
- (ii) Grants and donations receivable and payable are accounted for on an accruals basis.

(c) Investment income

Investment income is brought into account when it is received by the Fund.

(d) Bank deposit interest

Interest from bank deposits is accounted for on an accruals basis.

3. Contributions receivable and similar income	2023	2022
	£	£
Contributions by ministers	85,421	92,744
Ministers' additional voluntary contributions	4,422	5,673
Contributions by congregations	85,421	92,745
Subscriptions from Ministers Benevolent Society and donations	30,045	145,045
	205,309	336,207

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2023

4. Benefits payable	2023	2022
	£	£
Pensions payable and Widows Fund Annuities	413,462	399,691
Lump sums payable	70,902	124,854
	484,364	524,545
5. Other payments	2023	2022
	£	£
Death Benefit policy premiums	4,268	4,736
	4,268	4,736
6. Administrative expenses	2023	2022
	£	£
Administration charges	32,572	30,312
Actuarial fees	19,800	10,625
Audit fees	3,460	3,620
Legal fees	6,120	15,300
Accountancy and Secretarial fees	3,200	3,200
Travel and meeting expenses	56	182
Trustees Liability Insurance	1,611	1,576
	66,819	64,815
7. Investment income	2023	2022
	£	£
Dividends from equities	118,184	110,639
Interest on cash deposits	32	74
	118,216	110,713

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2023

8. Investments	2023		2022	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
- Overseas Equities	2,683,711	4,888,581	2,804,192	4,822,683
	<u>2,683,711</u>	<u>4,888,581</u>	<u>2,804,192</u>	<u>4,822,683</u>

9. Movement in Investments

	Market Value	
	2023	2022
	£	£
Investments at beginning of year	4,822,683	5,348,341
Investments purchased during year	685	4,708
Proceeds from Investments sold during year	<u>(210,000)</u>	<u>(133,000)</u>
	4,613,368	5,220,049
Net increase/(reduction) in market value during year	<u>275,213</u>	<u>(397,366)</u>
Market Value of Investments held at end of year	<u>4,888,581</u>	<u>4,822,683</u>

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2023

10. Debtors	2023	2022
	£	£
Contributions owed	6,516	-
Other debtors	-	1,739
	<hr/> 6,516 <hr/>	<hr/> 1,739 <hr/>
	<hr/> 6,516 <hr/>	<hr/> 1,739 <hr/>
 11 Creditors	 2023	 2022
	£	£
Accrued expenses	79,490	70,002
	<hr/> 79,490 <hr/>	<hr/> 70,002 <hr/>
	<hr/> 79,490 <hr/>	<hr/> 70,002 <hr/>

12 Taxation

The Fund is exempt approved under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 and was not liable to UK income tax on interest and dividends or to capital gains tax.

Actuarial statement made for the purpose of disclosure of Information

Actuarial statement made for the purpose of disclosure of information

The Trustees have requested a statement regarding the funding position and contributions required notwithstanding the fact that the Fund is not subject to the requirements of the Pensions Act 2004.

The Security of Prospective Rights

On the basis of the assumptions that were adopted for this valuation, the Fund had a surplus, in relation to accrued benefits, of £394,000 as at 31 December 2022. This represented a funding level of 109%.

It is likely that current contribution levels will be sufficient to cover the accrual of future service.

At the valuation date, contributions were being paid are as set out below:

By Ministers: 10.0% of the total of Stipends and Manse Allowances

By the Churches: 10.0% of the total of Stipends and Manse Allowances

It is recommended that contributions continue to be paid at their current level in order to protect the Fund against potential adverse experience in the future.

Summary of Methods and Assumptions Used

A Projected Unit Method of valuation was used. The funding position at the valuation date was derived by comparing the liabilities for benefits earned before the valuation date with the value of the assets. The liabilities for benefits to be earned in the year after the valuation date were assessed and compared with the value of the contributions due from the Ministers and the Congregations under the By-Laws. The assumptions used include only small margins for prudence and the Fund remains vulnerable to unfavourable experience particularly in relation to the investments and mortality experience.

The assets of the Fund have been valued at their market value as reported in the Accounts. The Trustees should continue to review their investment strategy in light of the increasing maturity of the Fund.

Further details can be obtained from the full actuarial valuation report as at 31 December 2022. The next valuation exercise should be carried out no later than 31 December 2025.

Name: Christopher Mark Atkin
Address: Cornwall House, Blythe Gate
Blythe Valley Park, Solihull, B90 8AF

Qualification: FIA
Name of employer: Atkin Pensions

THE MINISTERS' PENSION FUND
Appendix 1

Statement of Financial activities
for the year ended 31 December 2023

INCOME AND EXPENDITURE		Unrestricted funds		Unrestricted funds	
		2023		2022	
Notes		£	£	£	£
Incoming resources					
Contributions receivable and similar income	3		205,309		336,207
Investment income	7		118,216		110,713
			<u>323,525</u>		<u>446,920</u>
Resources expended					
Direct expenditure – benefits payable	4	484,364		524,545	
Direct expenditure – other payments	5	4,268		4,736	
Management and administration expenses	6	66,819		64,815	
			<u>(555,451)</u>		<u>(594,096)</u>
Net outgoing resources for the year			<u>(231,926)</u>		<u>(147,176)</u>
Increase/(Reduction) in market value of investments	9	273,510		(398,942)	
Profit/(Loss) on Disposal of Investments	9	1,703		1,576	
			<u>275,213</u>		<u>(397,366)</u>
Net movement in funds			<u>43,287</u>		<u>(544,542)</u>
Balances brought forward at 1 January			4,867,822		5,412,364
Balances carried forward at 31 December			<u>4,911,109</u>		<u>4,867,822</u>

MINISTERS' PENSION FUND

England & Wales - Charity number 235410

Accounts

THE MINISTERS' PENSION FUND
REPORT AND ACCOUNTS
for the year ended 31 December 2022

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THE MINISTERS' PENSION FUND
Trustees and Professional Advisers
as at 31 December 2022

Trustees

Rev J Bowes (Chairman)
Rev L Readett
Mrs M Baker (Treasurer)
Mrs H Dumbleton
Mrs J Couper
Mr J Teagle

Professional Advisers

Atkin & Co
Blythe Gate
Blythe Valley Park
Solihull B90 8AF

Investment Managers

BNY Mellon Fund Managers Ltd
160 Queen Victoria Street
London EC4V 4LA

Administrators

Mercers
12 Booth Street
Manchester M2 4AW

Auditors

Scott Roberts Taylor & Co
Central Buildings 5-7 Corporation Street
Hyde, Cheshire, SK14 1AG

Solicitor

Roderick Ramage
Copehale, Coppenhall,
Stafford ST18 9BW

Honorary Secretary

Jeffrey Teagle
15 Lordsfield Gardens
Overton
Basingstoke, RG15 3EW

The Trustees are pleased to submit their annual report on the operation of the Funds, together with the accounts of the Funds for the year ended 31 December 2022.

Constitution of Fund

The Ministers' Pension Fund was established in its present form on 1 January 1971 to provide retirement and death benefits to full-time ministers and others as more particularly described in the rules. It is a registered charity (reg. no. 235410) and is registered with HMRC under the Finance Act 2004 (reg. no. PSTR 00258294RP).

Regulatory Status

In March 2005 one of the solicitors employed by OPRA, the predecessor of the Pensions Regulator (TPR), involved in our negotiations with OPRA for an extension of time to comply with the minimum funding requirement, told our solicitor that the Department for Work and Pensions (DWP) had obtained separate legal opinions from two senior barristers that some church schemes, which had approached the DWP, would not be occupational pension schemes under the new definition of "occupational pension scheme" in s1 of the Pensions Act 1993, to be brought into force in substitution for the then present definition. On the basis of those opinions, he told our solicitor that, if the MPF were to apply to TPR, TPR would remove it from its register of pension schemes. The grounds for this is that the Fund was not established by employers for employees. The Fund did so apply and was removed from the register. HMRC confirmed that it remained a registered scheme under the tax regime for pension schemes.

The consequence of not being an occupational scheme is that the Fund is not subject to the statutory scheme specific funding requirements and is also no longer subject to the regulatory requirements of the 1993, 1995 and 2005 Acts; our solicitor will not say categorically that no regulatory requirement applies, as there may be some obscure regulations that do apply, which he has not found.

Whilst this leaves the Trustees to implement, with actuarial advice, the funding and investment decisions which they believe are in the best interests of the Fund and its members, the Trustees intend on a voluntary basis to apply the reporting and accounting obligations which apply to occupational schemes.

Trustees and Advisers

The names of the present Trustees are set out on page 3. Up to seven Trustees are elected by an annual meeting of the Fund (of whom not more than three shall be ministers) and three Trustees (of whom not more than one shall be a minister) are appointed by the Executive Committee of the General Assembly of Unitarian and Free Christian Churches. Trustees elected or appointed shall hold office for three years but shall be eligible for re-appointment.

Throughout 2022, the Fund was administered by the Trustees in accordance with the bye-laws set out in schedule 1 of the constitution approved at the general meeting held on 11 April 2007. During 2022 the Trustees, acting upon advice of the Fund's Solicitor, Roderick Ramage, and in consultation with the Actuary, Atkin & Co, proposed revised bye-laws that were adopted by a general meeting held on 08 November 2022 and will be implemented in 2023, when the administration of the Fund will be transferred from Mercers to Atkin & Co.

On the recommendation of the Trustees, a general meeting may alter, amend, rescind or replace the bye-laws in accordance with Rule 8 except for Rule 2 which shall not be alterable except in the event of amalgamation with any Society having similar or allied objects

The Board of Trustees is required to meet at least three times in every year. The votes of a majority of those present or participating shall decide all questions. During the current year, all meetings were held online by Zoom due to the Coronavirus pandemic. On 4 October 2022 a physical General Meeting was held at Essex Hall, Strand, London to alter the Constitution to enable all general meetings to be held online and to ratify the online annual general meeting of 10 May 2022.

The advisers to the Fund were appointed by the Trustees. The names of the present advisers are shown on page 3.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

Data Protection Act 1998 ('the Act')

Under the Act, The Trustees (the Data Controller) are required to inform members that information is held about them and to notify members of the purposes for which the information is held. The Trustees use individual member information for the purposes of administering members' pension benefits. In order to do so, the Trustees will need to disclose member information to the Administrators and such other professional advisers and other third parties whom the Trustees have chosen to assist in the administration of the Fund. It may be necessary for the Trustees to hold certain information, such as medical or health details, which is deemed to be 'sensitive personal data' under the Act. The Act requires that if the Trustees hold such information, the express consent of the member is obtained.

A member may request details of personal information held by the Trustees. Requests for such information should be addressed to Mr Jeffrey Teagle, the Data Protection Officer appointed by the Trustees. If a member believes that information held by the Trustees is incorrect or incomplete, such information, if found to be incorrect or incomplete, will be promptly corrected.

The Trustees have produced a Data Protection Policy Statement, which has been circulated to all members and pensioners.

Actuarial position

A full actuarial valuation was prepared as at 31 December 2019. The next actuarial valuation is in the course of preparation as at 31st December 2022.

The Actuary's report as at 31st December 2019 disclosed an overall actuarial deficit of £379,000 (31.12.2016 Deficit £184,000). The current contribution level of 10% from members and congregations is sufficient to remove the deficit based on the assumptions used.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

Membership

	2022	2021
Contributing members at 1 January	33	35
New members (including rejoiners)	2	2
Retirees	(7)	(4)
	28	33
Contributing members at 31 December		
Deferred members at 1 January	15	16
Retirees	0	(2)
Transfer from contributors	6	1
Transferred out of Fund	0	0
Died	0	0
Transferred to contributors	0	0
	21	15
Deferred members at 31 December		
Pensioners (including widows) at 1 January	110	107
Contributing members retiring during the year	2	3
Deaths	(5)	(2)
Deferred members retiring during the year	0	2
Dependants' pensions	3	0
Trivial Commutation	(2)	0
Ex Widows Fund Annuities	0	0
Pensioners (including widows) at 31 December	108	110
Total membership as at 31 December	157	158

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

Contributing members		2022	2021
Age profile			
Under 50	Male	6	5
	Female	4	4
		<u>10</u>	<u>9</u>
50 to 59	Male	9	11
	Female	4	5
		<u>13</u>	<u>16</u>
60 and over	Male	3	6
	Female	2	2
		<u>5</u>	<u>8</u>
TOTAL		<u>28</u>	<u>33</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

Benefit review

Following a review of the Fund's investment performance and after consultation with the Actuary, no increase to pensions has been given with effect from 1.1.2019. It was proposed at the 2012 Annual Meeting to delete the necessity to provide the statutory increase currently provided by the constitution.

Additional Voluntary Contributions

Ministers are reminded that they may pay Additional Voluntary Contributions to the Ministers' Pension Fund of up to the maximum in one year of their Stipend and Manse Allowance. Such contributions are tax deductible and are not subject to any deduction for expenses of management.

In 2022, the number of Ministers making Additional Voluntary Contributions was 4 (6 last year). On 31 December 2022, taking into account the Nil% (Nil% last year) bonus granted, the value of the Contributors' balances was £62,115 for 9 Ministers (£73,578 for 9 Ministers last year). The annual bonus is now linked to the pensions increase policy determined by the Trustees after taking advice from the Actuary.

Review of the financial development of the Fund

The accounts for the year have been prepared and audited in accordance with the regulations made under section 41(l) and (6) of the Pensions Act 1995.

The value of the Fund decreased as follows in the course of the year:

	This year	Last year
MPF by	Decrease £544,542 (10.1%) to £4,867,822	Increase £488,443 (9.9%) to £5,412,364

This was after taking account of the excess of expenditure over income, (i.e. excluding changes in the market value of investments), which was

	This year	Last year
	£	£
Ministers' Pension Fund	(147,176)	(214,077)

Management of the Fund

The overall management of the Fund is vested in the Trustees who were appointed at the AGM on 10th May 2022 and whose names appear on Page 3 of this report. The management of the investment assets of the Fund is handled by BNY Mellon Fund Managers Ltd. There is no charge for this service as all the investments are BNY Mellon Funds and the individual funds charge a service fee.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

Investment policy and performance

The portfolio is invested in a selection of funds holding UK and overseas equities as well as fixed income assets. There is a restriction on direct investment in tobacco products. The policy followed reflects the investment objectives of meeting the Fund's long-term commitment to provide pension benefits linked to 'Maximum Stipend', 'Maximum Manse Allowance' and years of service. It is not the policy of the Trustees to concentrate investment assets but to achieve a wide spread of risk.

At 31 December 2022, the portfolio was invested in the following Funds (at market values):

Ministers' Pension Fund	2022	2021
	£	£
Newton Growth and Income Fund for Charities	3,437,448	3,706,707
Newton SRI Fund for Charities	1,278,937	1,413,626
Newton Global Higher Income Fund	<u>106,298</u>	<u>228,008</u>
	<u>4,822,683</u>	<u>5,348,341</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

The Current situation

1. Communications

Copies of annual reports are sent to all Members. A record of service and a benefit statement is sent to all contributing Members.

2. Indemnity Insurance

The Trustees have again taken out trustee indemnity insurance during the year. The relevant authority has been granted by the Charity Commissioners.

3. The expenses of the Fund

The administrative expenses at £64,815 represent 1.3% (£60,064 and 1.1% last year) of the value of the Fund. It remains the Trustees' aim not to exceed 1.5%, subject to any adverse movement in the value of our investments.

4. Donation from Ministers Benevolent Society

Following the decision by the Directors of the Ministers Benevolent Society at their AGM to make a gift of the excess of income over expenditure over the last year, two payments of £10,000 were received in 2022 (2021 £Nil).

5. Strategic Review

During 2021 the trustees have commissioned legal advisor Roderick Ramage and actuary Chris Atkin to provide strategic proposals to assist the long term sustainability of the Fund. Their proposals were reported to the Annual General Meeting in 2022 and the General Meeting held on 8th November 2022.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2022

Statement of Trustees' responsibilities for the accounts

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the Auditors as stated in their report.


Although they are not required to do so, the Trustees have, under the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996, obtained audited accounts showing a true and fair view of the financial transactions of the Fund during the year and of the disposition, at the end of the year, of those of the Fund's assets and liabilities which would be required by statute to be included. Those accounts state whether they have been prepared in accordance with the Statement of Recommended Practice on pension scheme accounts and disclose other information specified in the Regulations.

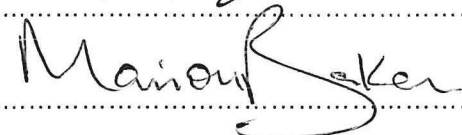
The Trustees were formerly responsible under section 58 of the Pensions Act 1995 and the MFR Regulations for ensuring that there is prepared, maintained and from time to time revised, a schedule of contributions showing the rates of contributions payable to the Fund by or on behalf of the congregations and the active members of the Fund and the dates on or before which such contributions are to be paid. The Trustees are also responsible, as a principle of good practice, for keeping records in respect of the contributions received in respect of the active members of the Fund and for procuring contributions that are made in accordance with the schedule of contributions.

These requirements, in conjunction with the general law relating to trusts, imply that the Trustees are also expected to:

- (i) maintain accounting records and select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent; and
- (ii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts: and
- (iii) safeguard the Funds' assets, and hence take reasonable steps for the prevention and detection of error, fraud and other irregularities.

On behalf of the Trustees


.....Rev Jeffrey Bowes (Chairman)


.....Mrs Marion Baker (Hon Treasurer)

Date:

12 May 2023

THE MINISTERS' PENSION FUND
Auditors' Report to the Trustees
for the year ended 31 December 2022

Opinion

We have audited the financial statements of the Ministers' Pension Fund ('the Scheme') for the year ended 31 December 2022 which comprise the Revenue Accounts, Net Assets Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the state of the financial transactions of the Scheme during the year ended 31 December 2022, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the legal and regulatory frameworks applicable to the scheme. We determined that the Pensions Act 1995 were the regulations most significant.

We obtained an understanding of how the scheme is complying with the Pension Act 1995 by making enquiries to the management.

We assessed the susceptibility of the scheme's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- identifying and testing journal entries, in particular and journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members, as a body, in accordance with the Pensions Act 1995. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Adrian Brooks FCCA (Senior Statutory Auditor)
For and on behalf of Scott Roberts Taylor & Co.
Accountants and Statutory Auditors
Central Buildings
5/7 Corporation Street
Hyde
Cheshire
SK14 1AG

A. P. Brooks F.C.C.A.

Scott, Roberts, Taylor & Co

.....

Date: . *25th May 2023*

THE MINISTERS' PENSION FUND
Revenue account
for the year ended 31 December 2022

	Notes	2022		2021	
		£	£	£	£
Contributions and benefits					
Contributions receivable and similar income	3		336,207		212,001
Benefits payable	4	524,545		474,043	
Other Payments	5	4,736		5,037	
Administrative expenses	6	64,815		60,064	
			(594,096)		(539,144)
Net contributions/ (withdrawals) from dealing with members			(257,889)		(327,143)
Returns on Investments					
Investment income	7	110,713		113,066	
Increase/(Reduction) in Market Value of Investments	9	(398,942)		693,384	
	9	-		-	
Profit on Disposal of Ground Rents					
Profit/(Loss) on Disposal of Investments	9	1,576		9,136	
Net Return on investments			(286,653)		815,586
Net Increase/(Reduction) in Fund during year			(544,542)		488,443
Net Assets at beginning of year			5,412,364		4,923,921
Net Assets at end of year			4,867,822		5,412,364

The notes on pages 17 to 20 form part of these accounts

THE MINISTERS' PENSION FUND

Net assets statement

As at 31 December 2022

Assets not designated to members	Notes	£	2022 £	£	2021 £
Investments	8		<u>4,822,683</u>		<u>5,348,341</u>
Current Assets					
Debtors	10	1,739		4,314	
Cash at Bank		<u>113,402</u>		<u>96,129</u>	
			115,141		100,443
Less Current Liabilities					
Creditors	11		<u>(70,002)</u>		<u>(36,420)</u>
Net Current Assets			<u>45,139</u>		<u>64,023</u>
Net assets at 31 December 2022			<u>4,867,822</u>		<u>5,412,364</u>

These accounts were approved on

Signed on behalf of the Trustees

Rev Jeffrey Bowes (Chairman)



12 May 2023

The notes on pages 17 to 20 form part of
these accounts

1. Basis of accounting

Although they do not apply to the Fund, the accounts have been prepared in accordance with the Occupational Pensions Funds (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996 and with the guidelines set out in the statement of Recommended Practice Financial Reports of Pension Schemes. In so doing, the Fund has departed from certain provisions contained within the Charities (Accounting and Reporting) Regulations 1995.

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

The actuarial position of the Fund, which does take account of such liabilities, is dealt with in the actuarial statement on page 21 which, together with these accounts, constitute part of the Fund's annual report. The accounts should be read in conjunction with the actuarial statements. The last full actuarial valuation was prepared as at 31 December 2019. The next actuarial valuation will take place as at 31st December 2022.

2. Accounting policies

(a) Investments

(i) Listed investments are included in the statement of net assets at their middle market values at the accounting date.

(b) Contributions and similar income

(i) Contributions and similar income are brought into account on an accruals basis.
 (ii) Grants and donations receivable and payable are accounted for on an accruals basis.

(c) Investment income

Investment income is brought into account when it is received by the Fund.

(d) Bank deposit interest

Interest from bank deposits is accounted for on an accruals basis.

3. Contributions receivable and similar income

	2022	2021
	£	£
Contributions by ministers	92,744	102,785
Ministers' additional voluntary contributions	5,673	6,386
Contributions by congregations	92,745	102,785
Subscriptions from Ministers Benevolent Society and donations	145,045	45
	336,207	212,001

THE MINISTERS' PENSION FUND

Notes to the accounts – continued

for the year ended 31 December 2022

4. Benefits payable	2022	2021
	£	£
Pensions payable and Widows Fund Annuities	399,691	396,332
Lump sums payable	124,854	77,711
	524,545	474,043
5. Other payments	2022	2021
	£	£
Death Benefit policy premiums	4,736	5,037
	4,736	5,037
6. Administrative expenses	2022	2021
	£	£
Administration charges	30,312	28,800
Actuarial fees	10,625	15,377
Audit fees	3,620	3,000
Legal fees	15,300	6,600
Accountancy and Secretarial fees	3,200	4,711
Travel and meeting expenses	182	-
Trustees Liability Insurance	1,576	1,576
	64,815	60,064
7. Investment income	2022	2021
	£	£
Dividends from equities	110,639	113,079
Interest on cash deposits	74	(13)
Ground Rent	-	-
	110,713	113,066

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2022

8. Investments	2022		2021	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
- Overseas Equities	2,804,192	4,822,683	2,878,003	5,348,341
	<u>2,804,192</u>	<u>4,822,683</u>	<u>2,878,003</u>	<u>5,348,341</u>

9. Movement in Investments	Market Value	
	2022	2021
	£	£
Investments at beginning of year	5,348,341	4,848,314
Investments purchased during year	4,708	9,507
Proceeds from Ground rents sold during year less costs to sell	-	-
Proceeds from Investments sold during year	(133,000)	(212,000)
	<u>5,220,049</u>	<u>4,645,821</u>
Net increase/(reduction) in market value during year	(397,366)	702,520
Market Value of Investments held at end of year	<u>4,822,683</u>	<u>5,348,341</u>

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2022

10. Debtors	2022	2021
	£	£
Contributions owed	1,739	2,738
Prepaid expenses	-	1,576
	<hr/>	<hr/>
	1,739	4,314
	<hr/>	<hr/>
11 Creditors	2022	2021
	£	£
Accrued expenses	70,002	36,420
	<hr/>	<hr/>
	70,002	36,420
	<hr/>	<hr/>

12 Taxation

The Fund is exempt approved under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 and was not liable to UK income tax on interest and dividends or to capital gains tax.

Actuarial statement made for the purpose of disclosure of Information

Actuarial statement made for the purpose of disclosure of information

The Trustees have requested a statement regarding the funding position and contributions required notwithstanding the fact that the Fund is not subject to the requirements of the Pensions Act 2004.

The Security of Prospective Rights

On the basis of the assumptions that were adopted for this valuation, the Fund had a deficit, in relation to accrued benefits, of £379,000 as at 31 December 2019. This represented a funding level of 93%.

It is likely that current contribution levels will be sufficient to remove this deficit and cover the accrual of future service.

At the valuation date, contributions were being paid are as set out below:

By Ministers:- 10.0% of the total of Stipends and Manse Allowances

By the Churches: 10.0% of the total of Stipends and Manse Allowances

It is recommended that contributions continue to be paid at their current level in order to protect the Fund against potential adverse experience in the future.

Summary of Methods and Assumptions Used

An attained age method of valuation was used. The funding position at the valuation date was derived by comparing the liabilities for benefits earned before the valuation date with the value of the assets. The liabilities for benefits to be earned after the valuation date were assessed and compared with the value of the contributions due from the Ministers and the Congregations under the By-Laws. The assumptions used include only small margins for prudence and the Fund remains vulnerable to unfavorable experience particularly in relation to the investments and mortality experience. Events since the valuation date have highlighted the volatility of the funding to changes in the value of the investments. On the valuation basis, contributions of 15.7% of Stipends and Manse Allowances are required to cover future accrual of benefits and expected expenses. For this purpose, the liabilities have been discounted at a rate of 7.5% per annum.

The assets of the Fund have been valued at their market value as reported in the Accounts. The Trustees should continue to review their investment strategy in light of the increasing maturity of the Fund.

Further details can be obtained from the full actuarial valuation report as at 31 December 2019. The next valuation exercise should be carried out no later than 31 December 2022.

Name: Christopher Mark Atkin

Qualification: FIA

Address: Oracle Building, Oracle Drive
Blythe Valley Park, Solihull, B90 8AD

Name of employer: Atkin & Co

Statement of Financial activities
for the year ended 31 December 2022

INCOME AND EXPENDITURE	Notes	Unrestricted funds 2022		Unrestricted funds 2021	
		£	£	£	£
Incoming resources					
Contributions receivable and similar income	3	336,207		212,001	
Investment income	7	110,713		113,066	
		446,920		325,067	
Resources expended					
Direct expenditure – benefits payable	4	524,545		474,043	
Direct expenditure – other payments	5	4,736		5,037	
Management and administration expenses	6	64,815		60,064	
		(594,096)		(539,144)	
Net outgoing resources for the year		(147,176)		(214,077)	
Increase/(Reduction) in market value of investments	9	(398,942)		693,384	
Profit on Disposal of Ground rents	9	-		-	
Profit/(Loss) on Disposal of Investments	9	1,576		9,136	
		(397,366)		702,520	
Net movement in funds		(544,542)		488,443	
Balances brought forward at 1		5,412,364		4,923,921	
January					
Balances carried forward at 31 December		4,867,822		5,412,364	

MINISTERS' PENSION FUND

England & Wales - Charity number 235410

Accounts

THE MINISTERS' PENSION FUND
REPORT AND ACCOUNTS
for the year ended 31 December 2021

THE MINISTERS' PENSION FUND

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for the year ended 31 December 2021

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THE MINISTERS' PENSION FUND

Trustees and Professional Advisers

as at 31 December 2021

Trustees

Rev L Phillips (resigned January 2021)
Rev Dr AS Peart (resigned January 2021)
Rev J Bowes (Chairman)
Rev L Readett
Mrs M Baker (Treasurer)
Mrs H Dumbleton
Mrs J Couper
Mr J Teagle (appointed May 2021)

Professional Advisers

Atkin & Co
Blythe Gate
Blythe Valley Park
Solihull B90 8AF

Investment Managers

BNY Mellon Fund Managers Ltd
160 Queen Victoria Street
London EC4V 4LA

Administrators

Mercers
St James's House
Charlotte Street
Manchester M1 4DZ

Auditors

Scott Roberts Taylor & Co
Central Buildings 5-7 Corporation Street
Hyde, Cheshire, SK14 1AG

Solicitor

Roderick Ramage
Copenhale, Coppenhall,
Stafford ST18 9BW

Honorary Secretary

Jeffrey Teagle
15 Lordsfield Gardens
Overton
Basingstoke, RG15 3EW

THE MINISTERS' PENSION FUND

Report of the Trustees

for the year ended 31 December 2021

The Trustees are pleased to submit their annual report on the operation of the Funds, together with the accounts of the Funds for the year ended 31 December 2021.

Constitution of Fund

The Ministers' Pension Fund was established in its present form on 1 January 1971 to provide retirement and death benefits to full-time ministers and others as more particularly described in the rules. It is a registered charity (reg. no. 235410) and is registered with HMRC under the Finance Act 2004 (reg. no. PSTR 00258294RP).

Regulatory Status

In March 2005 one of the solicitors employed by OPRA, the predecessor of the Pensions Regulator (TPR), involved in our negotiations with OPRA for an extension of time to comply with the minimum funding requirement, told our solicitor that the Department for Work and Pensions (DWP) had obtained separate legal opinions from two senior barristers that some church schemes, which had approached the DWP, would not be occupational pension schemes under the new definition of "occupational pension scheme" in s1 of the Pensions Act 1993, to be brought into force in substitution for the then present definition. On the basis of those opinions, he told our solicitor that, if the MPF were to apply to TPR, TPR would remove it from its register of pension schemes. The grounds for this is that the Fund was not established by employers for employees. The Fund did so apply and was removed from the register. HMRC confirmed that it remained a registered scheme under the tax regime for pension schemes.

The consequence of not being an occupational scheme is that the Fund is not subject to the statutory scheme specific funding requirements and is also no longer subject to the regulatory requirements of the 1993, 1995 and 2005 Acts; our solicitor will not say categorically that no regulatory requirement applies, as there may be some obscure regulations that do apply, which he has not found.

Whilst this leaves the Trustees to implement, with actuarial advice, the funding and investment decisions which they believe are in the best interests of the Fund and its members, the Trustees intend on a voluntary basis to apply the reporting and accounting obligations which apply to occupational schemes.

Trustees and Advisers

The names of the present Trustees are set out on page 3. Up to seven Trustees are elected by an annual meeting of the Fund (of whom not more than three shall be ministers) and three Trustees (of whom not more than one shall be a minister) are appointed by the Executive Committee of the General Assembly of Unitarian and Free Christian Churches. Trustees elected or appointed shall hold office for three years but shall be eligible for re-appointment.

The Fund is administered by the Trustees in accordance with the bye-laws set out in schedule 1 of the new constitution which was approved at the general meeting held on 11 April 2007.

On the recommendation of the Trustees, a general meeting may alter, amend, rescind or replace the bye-laws in accordance with Rule 8 except for Rule 2 which shall not be alterable except in the event of amalgamation with any Society having similar or allied objects

The Board of Trustees is required to meet at least three times in every year. The votes of a majority of those present or participating shall decide all questions. During the current year, all meetings were held online by Zoom due to the Coronavirus pandemic.

The advisers to the Fund were appointed by the Trustees. The names of the present advisers are shown on page 3.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2021

Data Protection Act 1998 ('the Act')

Under the Act, The Trustees (the Data Controller) are required to inform members that information is held about them and to notify members of the purposes for which the information is held. The Trustees use individual member information for the purposes of administering members' pension benefits. In order to do so, the Trustees will need to disclose member information to the Administrators and such other professional advisers and other third parties whom the Trustees have chosen to assist in the administration of the Fund. It may be necessary for the Trustees to hold certain information, such as medical or health details, which is deemed to be 'sensitive personal data' under the Act. The Act requires that if the Trustees hold such information, the express consent of the member is obtained.

A member may request details of personal information held by the Trustees. Requests for such information should be addressed to Mr Jeffrey Teagle, the Data Protection Officer appointed by the Trustees. If a member believes that information held by the Trustees is incorrect or incomplete, such information, if found to be incorrect or incomplete, will be promptly corrected.

The Trustees have produced a Data Protection Policy Statement, which has been circulated to all members and pensioners.

Actuarial position

A full actuarial valuation was prepared as at 31 December 2019. The next actuarial valuation is in course of preparation as at 31st December 2022.

The Actuary's report as at 31st December 2019 disclosed an overall actuarial deficit of £379,000 (31.12.2016 Deficit £184,000). The current contribution level of 10% from members and congregations is sufficient to remove the deficit based on the assumptions used.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2021

Membership

	2021	2020
Contributing members at 1 January	35	42
New members (including rejoiners)	2	0
Retirees	(4)	(7)
	33	35
Deferred members at 1 January	16	16
Retirees	(2)	(1)
Transfer from contributors	1	2
Transferred out of Fund	0	0
Died	0	(1)
Transferred to contributors	0	0
	15	16
Pensioners (including widows) at 1 January	107	103
Contributing members retiring during the year	3	5
Deaths	(2)	(4)
Deferred members retiring during the year	2	1
Dependants' pensions	0	2
Ex Widows Fund Annuities	0	0
	110	107
Total membership as at 31 December	158	158

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2021

Contributing members		2021	2020
Age profile			
Under 50	Male	5	6
	Female	4	3
		<u>9</u>	<u>9</u>
50 to 59	Male	11	10
	Female	5	6
		<u>16</u>	<u>16</u>
60 and over	Male	6	7
	Female	2	3
		<u>8</u>	<u>10</u>
TOTAL		<u>33</u>	<u>35</u>

THE MINISTERS' PENSION FUND

Report of the Trustees - continued

for the year ended 31 December 2021

Benefit review

Following a review of the Fund's investment performance and after consultation with the Actuary, no increase to pensions has been given with effect from 1.1.2019. It was proposed at the 2012 Annual Meeting to delete the necessity to provide the statutory increase currently provided by the constitution.

Additional Voluntary Contributions

Ministers are reminded that they may pay Additional Voluntary Contributions to the Ministers' Pension Fund of up to the maximum in one year of their Stipend and Manse Allowance. Such contributions are tax deductible and are not subject to any deduction for expenses of management.

In 2021, the number of Ministers making Additional Voluntary Contributions was 6 (6 last year). On 31 December 2021, taking into account the Nil% (Nil% last year) bonus granted, the value of the Contributors' balances was £73,578 for 9 Ministers (£83,337 for 10 Ministers last year). The annual bonus is now linked to the pensions increase policy determined by the Trustees after taking advice from the Actuary.

Review of the financial development of the Fund

The accounts for the year have been prepared and audited in accordance with the regulations made under section 41(I) and (6) of the Pensions Act 1995.

The value of the Fund increased as follows in the course of the year:

	This year	Last year
MPF by	Increase £488,443 (9.9%) to £5,412,364	Decrease £219,794 (4.3%) to £4,923,921

This was after taking account of the excess of expenditure over income, (i.e. excluding changes in the market value of investments), which was

	This year	Last year
	£	£
Ministers' Pension Fund	(214,07 7)	(251,09 2)

Management of the Fund

The overall management of the Fund is vested in the Trustees who were appointed at the AGM on 17th May 2021 and whose names appear on Page 3 of this report. The management of the investment assets of the Fund is handled by BNY Mellon Fund Managers Ltd. There is no charge for this service as all the investments are BNY Mellon Funds and the individual funds charge a service fee.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2021

Investment policy and performance

The portfolio is invested in a selection of funds holding UK and overseas equities as well as fixed income assets. There is a restriction on direct investment in tobacco products. The policy followed reflects the investment objectives of meeting the Fund's long-term commitment to provide pension benefits linked to 'Maximum Stipend', 'Maximum Manse Allowance' and years of service. It is not the policy of the Trustees to concentrate investment assets but to achieve a wide spread of risk.

At 31 December 2021, the portfolio was invested in the following Funds (at market values):

Ministers' Pension Fund	2021	2020
	£	£
Newton Growth and Income Fund for Charities	3,706,707	3,196,787
Newton SRI Fund for Charities	1,413,626	1,255,451
Newton Global Higher Income Fund	<u>228,008</u>	<u>396,076</u>
	<u>5,348,341</u>	<u>4,848,314</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2021

The Current situation

1. Communications

Copies of annual reports are sent to all Members. A record of service and a benefit statement is sent to all contributing Members.

2. Indemnity Insurance

The Trustees have again taken out trustee indemnity insurance during the year. The relevant authority has been granted by the Charity Commissioners.

3. The expenses of the Fund

The administrative expenses at £60,064 represent 1.1% (£61,037 and 1.2% last year) of the value of the Fund. It remains the Trustees' aim not to exceed 1.5%, subject to any adverse movement in the value of our investments.

4. Donation from Ministers Benevolent Society

Following the decision by the Directors of the Ministers Benevolent Society at their AGM to make a gift of the excess of income over expenditure over the last year a payment of £Nil has been received in 2021 (2020 £20,000).

5. Strategic Review

During 2021 the trustees have commissioned legal advisor Roderick Ramage and actuary Chris Atkin to provide strategic proposals to assist the long term sustainability of the Fund. Their proposals will be reported to the Annual General Meeting in 2022.

THE MINISTERS' PENSION FUND

Report of the Trustees - continued

for the year ended 31 December 2021

Statement of Trustees' responsibilities for the accounts

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the Auditors as stated in their report.

Although they are not required to do so, the Trustees have, under the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996, obtained audited accounts showing a true and fair view of the financial transactions of the Fund during the year and of the disposition, at the end of the year, of those of the Fund's assets and liabilities which would be required by statute to be included. Those accounts state whether they have been prepared in accordance with the Statement of Recommended Practice on pension scheme accounts and disclose other information specified in the Regulations.

The Trustees were formerly responsible under section 58 of the Pensions Act 1995 and the MFR Regulations for ensuring that there is prepared, maintained and from time to time revised, a schedule of contributions showing the rates of contributions payable to the Fund by or on behalf of the congregations and the active members of the Fund and the dates on or before which such contributions are to be paid. The Trustees are also responsible, as a principle of good practice, for keeping records in respect of the contributions received in respect of the active members of the Fund and for procuring contributions that are made in accordance with the schedule of contributions.

These requirements, in conjunction with the general law relating to trusts, imply that the Trustees are also expected to:

- (i) maintain accounting records and select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent; and
- (ii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts: and
- (iii) safeguard the Funds' assets, and hence take reasonable steps for the prevention and detection of error, fraud and other irregularities.

On behalf of the Trustees

.....Rev Jeffrey Bowes (Chairman)

.....Mrs Marion Baker (Hon Treasurer)

THE MINISTERS' PENSION FUND
Auditors' Report to the Trustees
for the year ended 31 December 2021

Opinion

We have audited the financial statements of the Ministers' Pension Fund ('the Scheme') for the year ended 31 December 2021 which comprise the Revenue Accounts, Net Assets Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including [FRS 102](#) *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the state of the financial transactions of the Scheme during the year ended 31 December 2021, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

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THE MINISTERS' PENSION FUND
Auditors' Report to the Trustees - continued
for the year ended 31 December 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the legal and regulatory frameworks applicable to the scheme. We determined that the Pensions Act 1995 were the regulations most significant.

We obtained an understanding of how the scheme is complying with the Pension Act 1995 by making enquiries to the management.

We assessed the susceptibility of the scheme's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- identifying and testing journal entries, in particular and journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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THE MINISTERS' PENSION FUND
Auditors' Report to the Trustees - continued
for the year ended 31 December 2021

Use of our report

This report is made solely to the members, as a body, in accordance with the Pensions Act 1995. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Adrian Brooks FCCA (Senior Statutory Auditor)
For and on behalf of Scott Roberts Taylor & Co.
Accountants and Statutory Auditors
Central Buildings
5/7 Corporation Street
Hyde
Cheshire
SK14 1AG

.....

THE MINISTERS' PENSION FUND
Revenue account
for the year ended 31 December 2021

	Note s	2021 £	2020 £
Contributions and benefits			
Contributions receivable and similar income	3	212,001	262,904
Benefits payable	4	474,043	550,134
Other Payments	5	5,037	6,498
Administrative expenses	6	60,064	61,037
		(539,144)	(617,669)
Net contributions/ (withdrawals) from dealing with members		(327,143)	(354,765)
Returns on Investments			
Investment income	7	113,066	103,673
Increase in Market Value of Investments	9	693,384	47,715
Profit on Disposal of Ground Rents	9	-	1,656
Profit/(Loss) on Disposal of Investments	9	9,136	(18,073)
Net Return on investments		815,586	134,971
Net Increase/(Reduction) in Fund during year		488,443	(219,794)

Net Assets at beginning of year

4,923,9
21

5,143,7
15

Net Assets at end of year

5,412,3
64

4,923,9
21

The notes on pages 17 to 20 form part of these accounts

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THE MINISTERS' PENSION FUND

Net assets statement

As at 31 December 2021

Assets not designated to members	Notes	2021		2020	
		£	£	£	£
Investments	8		5,348,341		4,848,314
Current Assets					
Debtors	10	4,314		-	
Cash at Bank		96,129		107,577	
			100,443		107,577
Less Current Liabilities					
Creditors	11		(36,420)		(31,970)
Net Current Assets			64,023		75,607
Net assets at 31 December 2021			5,412,364		4,923,921

**These accounts were
approved on**

**Signed on behalf of the
Trustees**

**Rev Jeffrey Bowes
(Chairman)**

The notes on pages 17 to 20 form part of
these accounts

THE MINISTERS' PENSION FUND

Notes to the accounts

for the year ended 31 December 2021

1. Basis of accounting

Although they do not apply to the Fund, the accounts have been prepared in accordance with the Occupational Pensions Funds (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996 and with the guidelines set out in the statement of Recommended Practice Financial Reports of Pension Schemes. In so doing, the Fund has departed from certain provisions contained within the Charities (Accounting and Reporting) Regulations 1995.

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

The actuarial position of the Fund, which does take account of such liabilities, is dealt with in the actuarial statement on page 21 which, together with these accounts, constitute part of the Fund's annual report. The accounts should be read in conjunction with the actuarial statements. The last full actuarial valuation was prepared as at 31 December 2019. The next actuarial valuation will take place as at 31st December 2022.

2. Accounting policies

(a) Investments

(i) Listed investments are included in the statement of net assets at their middle market values at the accounting date.

(b) Contributions and similar income

- (i) Contributions and similar income are brought into account on an accruals basis.
- (ii) Grants and donations receivable and payable are accounted for on an accruals basis.

(c) Investment income

Investment income is brought into account when it is received by the Fund.

(d) Bank deposit interest

Interest from bank deposits is accounted for on an accruals basis.

3. Contributions receivable and similar income

	2021	2020
	£	£
Contributions by ministers	102,785	115,759
Ministers' additional voluntary contributions	6,386	11,341
Contributions by congregations	102,785	115,759
Subscriptions from Ministers Benevolent Society and donations	45	20,045
	212,001	262,904

THE MINISTERS' PENSION FUND
Notes to the accounts - continued
for the year ended 31 December 2021

4. Benefits payable	2021	2020
	£	£
Pensions payable and Widows Fund Annuities	396,332	390,335
Lump sums payable	77,711	159,799
	474,043	550,134
5. Other payments	2021	2020
	£	£
Death Benefit policy premiums	5,037	6,498
	5,037	6,498
6. Administrative expenses	2021	2020
	£	£
Administration charges	28,800	28,800
Actuarial fees	15,377	14,109
Audit fees	3,000	3,000
Legal fees	6,6	
Accountancy and Secretarial fees	4,711	6,325
Travel and meeting expenses	-	1,258
Trustees Liability Insurance	1,576	2,845
	60,0	61,037
7. Investment income	2021	2020
		£
	£	
Dividends from equities	113,079	103,433
Interest on cash deposits	(13)	16
Ground Rent	-	
	113,066	

THE MINISTERS' PENSION FUND
Notes to the accounts - continued
for the year ended 31 December 2021

8. Investments	2021		202	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
- Overseas Equities	2,878,0	5,348,3		4,848,3
	2,878,0	5,348,3		4,848,3

9. Movement in Investments

Market Value

	2021	2020
	£	£
Investments at beginning of year	4,848,31	
	4	5,032,29
Investments purchased during year	9,507	4
Proceeds from Ground rents sold during year less costs to sell		(3,880)
Proceeds from Investments sold during year	(212,000)	(227,000)
	4,645,82	4,817,01
	1	6
Net increase/(reduction) in market value during year	702,520	31,298
Market Value of Investments held at end of year	5,348,34	4,848,31
	1	4

THE MINISTERS' PENSION FUND
Notes to the accounts - continued
for the year ended 31 December 2021

10. Debtors	2021	2020
	£	£
Contributions owed	2,738	-
Prepaid expenses	1,576	-
	<u>4,314</u>	<u>-</u>
	4,314	-
 11 Creditors	 2021	 2020
	£	£
Accrued expenses	<u>36,420</u>	<u>31,970</u>
	36,420	31,970

12 Taxation

The Fund is exempt approved under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 and was not liable to UK income tax on interest and dividends or to capital gains tax.

THE MINISTERS' PENSION FUND

Actuarial statement made for the purpose of disclosure of Information

Actuarial statement made for the purpose of disclosure of information

The Trustees have requested a statement regarding the funding position and contributions required notwithstanding the fact that the Fund is not subject to the requirements of the Pensions Act 2004.

The Security of Prospective Rights

On the basis of the assumptions that were adopted for this valuation, the Fund had a deficit, in relation to accrued benefits, of £379,000 as at 31 December 2019. This represented a funding level of 93%.

It is likely that current contribution levels will be sufficient to remove this deficit and cover the accrual of future service.

At the valuation date, contributions were being paid are as set out below:

By Ministers:- 10.0% of the total of Stipends and Manse Allowances

By the Churches: 10.0% of the total of Stipends and Manse Allowances

It is recommended that contributions continue to be paid at their current level in order to protect the Fund against potential adverse experience in the future.

Summary of Methods and Assumptions Used

An attained age method of valuation was used. The funding position at the valuation date was derived by comparing the liabilities for benefits earned before the valuation date with the value of the assets. The liabilities for benefits to be earned after the valuation date were assessed and compared with the value of the contributions due from the Ministers and the Congregations under the By-Laws. The assumptions used include only small margins for prudence and the Fund remains vulnerable to unfavorable experience particularly in relation to the investments and mortality experience. Events since the valuation date have highlighted the volatility of the funding to changes in the value of the investments. On the valuation basis, contributions of 15.7% of Stipends and Manse Allowances are required to cover future accrual of benefits and expected expenses. For this purpose, the liabilities have been discounted at a rate of 7.5% per annum.

The assets of the Fund have been valued at their market value as reported in the Accounts. The Trustees should continue to review their investment strategy in light of the increasing maturity of the Fund.

Further details can be obtained from the full actuarial valuation report as at 31 December 2019. The next valuation exercise should be carried out no later than 31 December 2022.

Name: Christopher Mark Atkin

Qualification: FIA

Address: Oracle Building, Oracle Drive
Blythe Valley Park, Solihull, B90 8AD

Name of employer: Atkin & Co

THE MINISTERS' PENSION FUND
Appendix 1

Statement of Financial activities
for the year ended 31 December 2021

INCOME AND EXPENDITURE		Unrestricted		Unrestricted	
	Note	funds		funds	
	s	£	£	£	£
			2021		2020
Incoming resources					
Contributions receivable and similar income	3		212,001		262,904
Investment income	7		113,066		103,673
			<u>325,067</u>		<u>366,577</u>
Resources expended					
Direct expenditure - benefits payable	4	474,043		550,134	
Direct expenditure - other payments	5	5,037		6,498	
Management and administration expenses	6	60,064		61,037	
			<u>(539,144)</u>		<u>(617,669)</u>
Net outgoing resources for the year			<u>(214,077)</u>		<u>(251,092)</u>
Increase in market value of investments	9	693,384		47,715	
Profit on Disposal of Ground rents	9	-		1,656	
Profit/(Loss) on Disposal of Investments	9	9,136		(18,073)	
			<u>702,520</u>		<u>31,298</u>
Net movement in funds			488,443		(219,794)
Balances brought forward at 1 January		4,923,921		5,143,715	
Balances carried forward at 31 December		<u>5,412,364</u>		<u>4,923,921</u>	

MINISTERS' PENSION FUND

England & Wales - Charity number 235410

Accounts

THE MINISTERS' PENSION FUND
REPORT AND ACCOUNTS
for the year ended 31 December 2020

THE MINISTERS' PENSION FUND

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for the year ended 31 December 2020

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Trustees

M J Tomlin (resigned July 2020)
Rev L Phillips
M G West (resigned July 2020)
Rev Dr AS Peart
Rev K Dean (resigned July 2020)
Rev Jeffrey Bowes
Mrs M Baker (Treasurer from July 2020)
Mrs J Couper (from Sept 2020)
Mrs H Dumbleton
Mrs K Hanley (died February 2020)

Professional Advisers

Atkin & Co
Blythe Gate
Blythe Valley Park
Solihull B90 8AF

Investment Managers

Newton Investment Managers Ltd
160 Queen Victoria Street
London EC4V 4LA

Administrators

Mercers
St James's House
Charlotte Street
Manchester M1 4DZ

Auditors

Scott Roberts Taylor & Co
Central Buildings 5-7 Corporation Street
Hyde, Cheshire, SK14 1AG

Solicitor

Roderick Ramage
Copenhale, Coppenhall,
Stafford ST18 9BW

Secretary

Jeffrey Teagle
15 Lordsfield Gardens
Overton
Basingstoke, RG15 3EW

The Trustees are pleased to submit their annual report on the operation of the Funds, together with the accounts of the Funds for the year ended 31 December 2020.

Constitution of Fund

The Ministers' Pension Fund was established in its present form on 1 January 1971 to provide retirement and death benefits to full-time ministers and others as more particularly described in the rules. It is a registered charity (reg. no. 235410). The Fund is approved by the Pension Funds Office of HM Revenue and Customs as a Retirement Benefits Fund for the purpose of Chapter I part XIV of the Income and Corporation Taxes Act 1988, and is treated as an 'Exempt approved Fund' for the purposes of that Act. The PSO number is SF 7/12801. Members are not contracted out of the earnings related element of the State Pension Fund.

Regulatory Status

In the course of our negotiations with OPRA for an extension of time to comply with the minimum funding requirement (MFR), one of the arguments made on our behalf was that the MFR should not apply to the Fund as it is not an occupational pension scheme having no employer. Although OPRA had rejected that argument at a meeting on 28 June 2004 with the Trustees and their advisers, it took a different view of the matter in the period between 18 November 2004, when the Pensions Act 2005 received Royal Assent, and 6 April 2005, when the relevant part of it came into force. The relevant part in this context is a new definition of "occupational pension scheme" in substitution for the definition in s1 of the Pensions Act 1993. On the basis of the new definition, the Fund is not regarded as an occupational pension scheme. It is, however, still regarded as a registered scheme from 6th April 2005, under the tax regime for pension schemes.

The consequence of not being an occupational scheme is that the Fund is not subject to the statutory scheme specific funding requirements and is also no longer subject to the regulatory requirements of the 1993, 1995 and 2005 Acts; our solicitor will not say categorically that no regulatory requirement applies, as there may be some obscure regulations that do apply, which he has not found.

Whilst this leaves the Trustees to implement, with actuarial advice, the funding and investment decisions which they believe are in the best interests of the Fund and its members, the Trustees intend on a voluntary basis to apply the reporting and accounting obligations which apply to occupational schemes.

Trustees and Advisers

The names of the present Trustees are set out on page 3. Up to seven Trustees are elected by an annual meeting of the Fund (of whom not more than three shall be ministers) and three Trustees (of whom not more than one shall be a minister) are appointed by the Executive Committee of the General Assembly of Unitarian and Free Christian Churches. Trustees elected or appointed shall hold office for three years but shall be eligible for re-appointment.

The Fund is administered by the Trustees in accordance with the bye-laws set out in schedule 1 of the new constitution which was approved at the general meeting held on 11 April 2007.

On the recommendation of the Trustees, a general meeting may alter, amend, rescind or replace the bye-laws in accordance with Rule 8 except for Rule 2 which shall not be alterable except in the event of amalgamation with any Society having similar or allied objects

The Board of Trustees is required to meet at least three times in every year. The votes of a majority of those present or participating shall decide all questions.

The advisers to the Fund were appointed by the Trustees. The names of the present advisers are shown on page 3.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

Data Protection Act 1998 ('the Act')

Under the Act, The Trustees (the Data Controller) are required to inform members that information is held about them and to notify members of the purposes for which the information is held. The Trustees use individual member information for the purposes of administering members' pension benefits. In order to do so, the Trustees will need to disclose member information to the Administrators and such other professional advisers and other third parties whom the Trustees have chosen to assist in the administration of the Fund. It may be necessary for the Trustees to hold certain information, such as medical or health details, which is deemed to be 'sensitive personal data' under the Act. The Act requires that if the Trustees hold such information, the express consent of the member is obtained.

A member may request details of personal information held by the Trustees. Requests for such information should be addressed to Mr Jeffrey Teagle, the Data Protection Officer appointed by the Trustees. If a member believes that information held by the Trustees is incorrect or incomplete, such information, if found to be incorrect or incomplete, will be promptly corrected.

The Trustees have produced a Data Protection Policy Statement, which has been circulated to all members and pensioners.

Actuarial position

A full actuarial valuation was prepared as at 31 December 2019. The next actuarial valuation is in course of preparation as at 31st December 2022.

The Actuary's report as at 31st December 2019 disclosed an overall actuarial deficit of £379,000 (31.12.2016 Deficit £184,000). The current contribution level of 10% from members and congregations is sufficient to remove the deficit based on the assumptions used.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

Membership

	2020	2019
Contributing members at 1 January	42	41
New members (including rejoiners)	0	4
Retirees	(7)	(3)
	35	42
Deferred members at 1 January	16	16
Retirees	(1)	0
Transfer from contributors	2	0
Transferred out of Fund	0	0
Died	(1)	0
Transferred to contributors	0	0
	16	16
Pensioners (including widows) at 1 January	103	103
Contributing members retiring during the year	5	3
Deaths	(4)	(3)
Deferred members retiring during the year	1	0
Dependants' pensions	2	0
Ex Widows Fund Annuities	0	0
Pensioners (including widows) at 31 December	107	103
Total membership as at 31 December	158	161

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

Contributing members		2020	2019
Age profile			
Under 50	Male	6	9
	Female	3	4
		<u>9</u>	<u>13</u>
50 to 59	Male	10	10
	Female	6	6
		<u>16</u>	<u>16</u>
60 and over	Male	7	9
	Female	3	4
		<u>10</u>	<u>13</u>
TOTAL		<u>35</u>	<u>42</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

Benefit review

Following a review of the Fund's investment performance and after consultation with the Actuary, no increase to pensions has been given with effect from 1.1.2019. It was proposed at the 2012 Annual Meeting to delete the necessity to provide the statutory increase currently provided by the constitution.

Additional Voluntary Contributions

Ministers are reminded that they may pay Additional Voluntary Contributions to the Ministers' Pension Fund of up to the maximum in one year of their Stipend and Manse Allowance. Such contributions are tax deductible and are not subject to any deduction for expenses of management.

In 2020, the number of Ministers making Additional Voluntary Contributions was 6 (5 last year). On 31 December 2020, taking into account the Nil% (Nil% last year) bonus granted, the value of the Contributors' balances was £83,337 for 10 Ministers (£71,996 for 9 Ministers last year). The annual bonus is now linked to the pensions increase policy determined by the Trustees after taking advice from the Actuary.

Review of the financial development of the Fund

The accounts for the year have been prepared and audited in accordance with the regulations made under section 41(l) and (6) of the Pensions Act 1995.

The value of the Fund increased as follows in the course of the year:

	This year	Last year
MPF by	Decrease £219,974 (4.3%) to £4,923,921	Increase £687,639 (15.4%) to £5,143,715

This was after taking account of the excess of expenditure over income, (i.e. excluding changes in the market value of investments), which was

	This year	Last year
	£	£
Ministers' Pension Fund	(251,092)	(18,975)

Management of the Fund

The overall management of the Fund is vested in the Trustees who were appointed at the AGM on 17th April 2020 and whose names appear on Page 3 of this report. The management of the investment assets of the Fund is handled by Newton Investment Management Ltd. There is no charge for this service as all the investments are Newton Funds and the individual funds charge a service fee.

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

Investment policy and performance

The portfolio is invested in a selection of funds holding UK and overseas equities as well as fixed income assets. There is a restriction on direct investment in tobacco products. The policy followed reflects the investment objectives of meeting the Fund's long-term commitment to provide pension benefits linked to 'Maximum Stipend', 'Maximum Manse Allowance' and years of service. It is not the policy of the Trustees to concentrate investment assets but to achieve a wide spread of risk.

At 31 December 2020, the portfolio was invested in the following Funds (at market values):

Ministers' Pension Fund	2020	2019
	£	£
Newton Growth and Income Fund for Charities	3,196,788	3,213,946
Newton SRI Fund for Charities	1,255,451	1,186,567
Newton Global Higher Income Fund	396,076	629,557
Ground Rent	<u>0</u>	<u>2,224</u>
	<u>4,848,315</u>	<u>5,032,294</u>

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

The Current situation

1. Widows' Fund

The assets and liabilities of the Widows Fund (except the welfare aspects) were transferred to the Ministers' Pension Fund in 2016. During 2020, the portfolio of chief rents inherited from the Widows Fund were sold.

2. Communications

Copies of annual reports are sent to all Members. A record of service and a benefit statement is sent to all contributing Members.

3. Indemnity Insurance

The Trustees have again taken out trustee indemnity insurance during the year. The relevant authority has been granted by the Charity Commissioners.

4. The expenses of the Fund

The administrative expenses at £61,037 represent 1.2% (£30,013 and 0.6% last year) of the value of the Fund. The major reason for the increase relates to actuarial fees. It remains the Trustees' aim not to exceed 1.5%, subject to any adverse movement in the value of our investments.

5. Donation from Ministers Benevolent Society

Following the decision by the Directors of the Ministers Benevolent Society at their AGM to make a gift of the excess of income over expenditure over the last year a payment of £20,000 has been received in 2020 (2019 £20,000).

THE MINISTERS' PENSION FUND
Report of the Trustees - continued
for the year ended 31 December 2020

Statement of Trustees' responsibilities for the accounts

The purpose of this statement is to distinguish the Trustees' responsibilities for the accounts from those of the Auditors as stated in their report.

Although they are not required to do so, the Trustees have, under the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996, obtained audited accounts showing a true and fair view of the financial transactions of the Fund during the year and of the disposition, at the end of the year, of those of the Fund's assets and liabilities which would be required by statute to be included. Those accounts state whether they have been prepared in accordance with the Statement of Recommended Practice on pension scheme accounts and disclose other information specified in the Regulations.

The Trustees were formerly responsible under section 58 of the Pensions Act 1995 and the MFR Regulations for ensuring that there is prepared, maintained and from time to time revised, a schedule of contributions showing the rates of contributions payable to the Fund by or on behalf of the congregations and the active members of the Fund and the dates on or before which such contributions are to be paid. The Trustees are also responsible, as a principle of good practice, for keeping records in respect of the contributions received in respect of the active members of the Fund and for procuring that contributions are made in accordance with the schedule of contributions.

These requirements, in conjunction with the general law relating to trusts, imply that the Trustees are also expected to:

- (i) maintain accounting records and select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent; and
- (ii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts: and
- (iii) safeguard the Funds' assets, and hence take reasonable steps for the prevention and detection of error, fraud and other irregularities.

On behalf of the Trustees

.....Rev Jeffrey Bowes (Chairman)

.....Mrs Marion Baker (Hon Treasurer)

17th May 2021

Independent auditors' report to the Trustees of the Ministers' Pension Fund

Report on the financial statements

Our opinion

In our opinion, the Ministers' Pension Fund financial statements:

- Show a true and fair view of the financial transactions of the Scheme during the year ended 31 December 2020, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice: and
- Contain the information specified in Regulation 3 of, and the Schedule to, the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

What we have audited

The Ministers' Pension Fund's financial statements comprise:

- The statement of net assets available for benefits as at 31 December 2020:
- The fund account for the year then ended: and
- The notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the annual report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and being satisfied that they show a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)").

Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Trustees as a body in accordance with section 41 of the Pensions Act 1995 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- * Whether the accounting policies are appropriate to the Scheme's circumstances and have been consistently applied and adequately disclosed;
- * The reasonableness of significant accounting estimates made by the Trustees;
and
- * the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies and the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistency we consider the implications for our report.

Mr Adrian Brooks FCCA (Senior Statutory Auditor)
For and on behalf of Scott Roberts Taylor & Co.
Accountants and Registered Auditors
Central Buildings
5/7 Corporation Street
Hyde
Cheshire
SK14 1AG

.....

THE MINISTERS' PENSION FUND

Revenue account

for the year ended 31 December 2020

	Notes		2020		2019
		£	£	£	£
Contributions and benefits					
Contributions receivable and similar income	3		262,904		264,783
Benefits payable	4	550,134		385,176	
Other Payments	5	6,498		6,917	
Administrative expenses	6	61,037		30,013	
			(617,669)		(422,106)
Net contributions/ (withdrawals) from dealing with members			(354,765)		(157,323)
Returns on Investments					
Investment income	7	103,673		138,348	
Increase in Market Value of Investments	9	47,715		692,672	
Profit on Disposal of Ground Rents	9	1,656		-	
Profit/(Loss) on Disposal of Investments	9	(18,073)		13,942	
Net Return on investments			134,971		844,962
Net Increase/(Reduction) in Fund during year			(219,974)		687,639
Net Assets at beginning of year			5,143,715		4,456,076
Net Assets at end of year			4,923,921		5,143,715

The notes on pages 16 to 19 form part of these accounts

THE MINISTERS' PENSION FUND**Net assets statement****As at 31 December 2020**

Assets not designated to members	Notes	£	2020 £	£	2019 £
Investments	8		4,848,314		5,030,070
Chief Rents			-		2,224
			4,848,314		5,032,294
Current Assets					
Debtors	10	-		83,000	
Cash at Bank		107,577		45,193	
			107,577		128,193
Less Current Liabilities					
Creditors	11		(31,970)		(16,772)
Net Current Assets			75,607		111,421
Net assets at 31 December 2020			4,923,921		5,143,715

These accounts were approved on 17th May 2021

Signed on behalf of the Trustees

Rev L Phillips (Chairman)The notes on pages 16 to 19 form part of
these accounts

THE MINISTERS' PENSION FUND

Notes to the accounts

for the year ended 31 December 2020

1. Basis of accounting

Although they do not apply to the Fund, the accounts have been prepared in accordance with the Occupational Pensions Funds (Requirement to obtain Audited Accounts and a statement from the Auditor) Regulations 1996 and with the guidelines set out in the statement of Recommended Practice Financial Reports of Pension Schemes. In so doing, the Fund has departed from certain provisions contained within the Charities (Accounting and Reporting) Regulations 1995.

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

The actuarial position of the Fund, which does take account of such liabilities, is dealt with in the actuarial statement on page 19 which, together with these accounts, constitute part of the Fund's annual report. The accounts should be read in conjunction with the actuarial statements. The last full actuarial valuation was prepared as at 31 December 2019. The next actuarial valuation will take place as at 31st December 2022.

2. Accounting policies

(a) Investments

- (i) Listed investments are included in the statement of net assets at their middle market values at the accounting date.

(b) Contributions and similar income

- (i) Contributions and similar income are brought into account on an accruals basis.
- (ii) Grants and donations receivable and payable are accounted for on an accruals basis.

(c) Investment income

Investment income is brought into account when it is received by the Fund.

(d) Bank deposit interest

Interest from bank deposits is accounted for on an accruals basis.

3. Contributions receivable and similar income

	2020	2019
	£	£
Contributions by ministers	115,759	119,179
Ministers' additional voluntary contributions	11,341	6,380
Contributions by congregations	115,759	119,179
Subscriptions from Ministers Benevolent Society and donations	20,045	20,045
	262,904	264,783

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2020

4. Benefits payable	2020	2019
	£	0£
Pensions payable and Widows Fund Annuities	390,335	374,154
Lump sums payable	159,799	11,022
	550,134	385,176
5. Other payments	2020	2019
	£	£
Death Benefit policy premiums	6,498	6,917
	6,498	6,917
6. Administrative expenses	2020	2019
	£	£
Administration charges	28,800	28,800
Actuarial fees	14,109	(10,152)
Audit fees	3,000	3,000
Legal fees	4,700	2,500
Secretarial honorarium and expenses	6,325	3,068
Travel and meeting expenses	1,258	1,552
Trustees Liability Insurance	2,845	1,245
	61,037	30,013
7. Investment income	2020	2019
	£	£
Dividends from equities	103,433	137,963
Interest on cash deposits	16	9
Ground Rent	224	376
	103,673	138,348

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2020

8. Investments	20		20	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
- Overseas Equities	3,003,091	4,848,31	3,145,581	5,030,070
- Ground Rents	-	-	2,224	2,224
	<u>3,003,091</u>	<u>4,848,31</u>	<u>3,147,805</u>	<u>5,032,294</u>

9. Movement in Investments

	Market Value	
	2020	2019
	£	£
Investments at beginning of year	5,032,294	4,421,611
Investments purchased during year	15,602	21,209
Proceeds from Ground rents sold during year less costs to sell	(3,880)	-
Proceeds from Investments sold during year	(227,000)	(117,140)
	<u>4,817,016</u>	<u>4,325,680</u>
Net increase/(reduction) in market value during year	31,298	706,614
Market Value of Investments held at end of year	<u>4,848,314</u>	<u>5,032,294</u>

THE MINISTERS' PENSION FUND
Notes to the accounts – continued
for the year ended 31 December 2020

10. Debtors	2020	2019
	£	£
Cash due from Ministers' Benevolent Society	-	20,000
Cash due from investment manager	-	63,000
	-	83,000

11 Creditors	2020	2019
	£	£
Accrued expenses	31,970	16,772
	31,970	16,772

12 Taxation

The Fund is exempt approved under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 and was not liable to UK income tax on interest and dividends or to capital gains tax.

Actuarial statement made for the purpose of disclosure of Information

Actuarial statement made for the purpose of disclosure of information

The Trustees have requested a statement regarding the funding position and contributions required notwithstanding the fact that the Fund is not subject to the requirements of the Pensions Act 2004.

The Security of Prospective Rights

On the basis of the assumptions that were adopted for this valuation, the Fund had a deficit, in relation to accrued benefits, of £379,000 as at 31 December 2020. This represented a funding level of 93%.

It is likely that current contribution levels will be sufficient to remove this deficit and cover the accrual of future service.

At the valuation date, contributions were being paid are as set out below:

By Ministers:- 10.0% of the total of Stipends and Manse Allowances

By the Churches: 10.0% of the total of Stipends and Manse Allowances

It is recommended that contributions continue to be paid at their current level in order to protect the Fund against potential adverse experience in the future.

Summary of Methods and Assumptions Used

An attained age method of valuation was used. The funding position at the valuation date was derived by comparing the liabilities for benefits earned before the valuation date with the value of the assets. The liabilities for benefits to be earned after the valuation date were assessed and compared with the value of the contributions due from the Ministers and the Congregations under the By-Laws. The assumptions used include only small margins for prudence and the Fund remains vulnerable to unfavorable experience particularly in relation to the investments and mortality experience. Events since the valuation date have highlighted the volatility of the funding to changes in the value of the investments. On the valuation basis, contributions of 15.7% of Stipends and Manse Allowances are required to cover future accrual of benefits and expected expenses. For this purpose, the liabilities have been discounted at a rate of 7.5% per annum.

The assets of the Fund have been valued at their market value as reported in the Accounts. The Trustees should continue to review their investment strategy in light of the increasing maturity of the Fund.

Further details can be obtained from the full actuarial valuation report as at 31 December 2019. The next valuation exercise should be carried out no later than 31 December 2022.

Name: Christopher Mark Atkin

Qualification: FIA

Address: Oracle Building, Oracle Drive
Blythe Valley Park, Solihull, B90 8AD

Name of employer: Atkin & Co

THE MINISTERS' PENSION FUND
Appendix 1

Statement of Financial activities
for the year ended 31 December 2020

INCOME AND EXPENDITURE		Unrestricted funds		Unrestricted funds	
		2020		2019	
	Notes	£	£	£	£
Incoming resources					
Contributions receivable and similar income	3	262,904		264,783	
Investment income	7	103,673		138,348	
		<u>366,577</u>		<u>403,131</u>	
Resources expended					
Direct expenditure – benefits payable	4	550,134	385,176		
Direct expenditure – other payments	5	6,498	6,917		
Management and administration expenses	6	61,037	30,013		
		<u>(617,669)</u>		<u>422,106</u>	
Net outgoing resources for the year			<u>(251,092)</u>		<u>(18,975)</u>
Increase in market value of investments	9	47,715	692,672		
Profit on Disposal of Ground rents	9	1,656	-		
(Loss)/Profit on Disposal of Investments	9	(18,073)	13,942		
			<u>31,298</u>		<u>706,614</u>
Net movement in funds			<u>(219,794)</u>		<u>687,639</u>
Balances brought forward at 1 January		5,143,715		4,456,076	
Balances carried forward at 31 December		<u>4,923,921</u>		<u>5,143,715</u>	