
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)
	<hr/>	<hr/>
Contributing members at 31 December	28	33
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
	<hr/>	<hr/>
Deferred members at 31 December	21	15
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	<u>0</u>	<u>0</u>
Pensioners (including widows) at 31 December	108	110
Total membership as at 31 December	<hr/> 157	<hr/> 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.

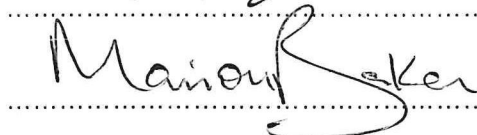
The Trustees were formerly responsible under section 58 of the Pensions Act 1995 and the MFR Regulations for ensuring that there is prepared, maintained and from time to time revised, a schedule of contributions showing the rates of contributions payable to the Fund by or on behalf of the congregations 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

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.

Auditors' Report to the Trustees - continued**for the year ended 31 December 2022****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

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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	Cost	Market
		Value		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
	<u>1,739</u>	<u>4,314</u>
11 Creditors	2022	2021
	£	£
Accrued expenses	70,002	36,420
	<u>70,002</u>	<u>36,420</u>

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		Unrestricted funds 2022		Unrestricted funds 2021	
	Notes	£	£	£	£
Incoming resources					
Contributions receivable and similar income	3	336,207		212,001	
Investment income	7	110,713		113,066	
		<u>446,920</u>		<u>325,067</u>	
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	
		<u>(594,096)</u>		<u>(539,144)</u>	
Net outgoing resources for the year		<u>(147,176)</u>		<u>(214,077)</u>	
Change in investments					
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	
		<u>(397,366)</u>		<u>702,520</u>	
Net movement in funds		<u>(544,542)</u>		<u>488,443</u>	
Balances brought forward at 1 January		5,412,364		4,923,921	
Balances carried forward at 31 December		<u>4,867,822</u>		<u>5,412,364</u>	