



## The Presbyterian Church Property Trustees

### The Church Property Trustees - What is our function & how can we help?

The Presbyterian Church Property Trustees are a group of up to 20 people who volunteer their knowledge, skills and time to serve our Church and protect its assets. All Presbyterian-owned property north of the Waitaki River and a variety of financial assets are held in trust by the Trustees.

There are two main reasons why the Church has Trustees:

- The first is a practical one of ensuring continuity of the title-holder of church property i.e. land and buildings. In the early days, property was often put in the names of individuals who then left or died, thus creating real problems. The result was the Presbyterian Church Property Act 1885, which is the legislation the Trustees still work under today. The Church Property Trustees were established specifically to be the legal entity of the Church north of the Waitaki River.
- The second reason is that there are many groups that have an interest in any church property. Obviously congregations do, but so also do the Presbyteries. They need to consider the regional needs of the Church and of course, the Church as a whole since we are a national Church formed through a network of parishes. One of the Trustees' roles is to ensure that the Book of Order processes have been followed and that every part of the Church has had its fair say. This is why the Trustees place great weight on the advice they receive from Presbyteries when considering any property transactions. They are also guided by the decisions of the General Assembly.

The Trustees are bound in law to adhere to the principles of trusteeship. These include prudent dealings in property and the investment of trust funds (notably the PIF and the Beneficiary Fund), keeping proper records and financial accounts and establishing policies for the management of all areas of their responsibilities.

The Church Property Trustees hold property in trust for congregations and are fully committed to good stewardship and its importance for future generations of the Church.

### Now, that all sounds very noble, but how does it translate to the day to day business of parishes and in particular, to property transactions?

Firstly, the Church Property Trustees (CPT) and its staff (Kos, Pat and Marion) are friends not foes! We're here to help. 😊

In order that the Trustees have all the information they require to make prudent decisions regarding Church properties, a robust application and approval process is essential.

This starts with Boards of Managers and Parish Councils involving Congregations in parish proposals such buying or selling property, undertaking major repairs, alterations or earthquake strengthening, leasing property, borrowing funds or drawing on capital funds.

First and foremost, the Trustees want to see that all property proposals fit with both the local mission goals of parishes **and** the regional strategic development of Presbyteries. A conversation with your Presbytery would be the ideal first step.

Congregation meetings to discuss property proposals need to be well attended and proposals strongly supported. Next, Presbytery must be provided with all the required information in order to make its decision. Only when Presbytery has made its decision and clearly indicated its strong support (or otherwise) for a proposal, does it go to the Trustees for their consideration.

### **New Property Application Forms**

New property application forms are currently being developed that clearly set out all the information that Congregations and Presbyteries need to provide in relation to their property proposals. The new forms incorporate what were previously called the Supplementary Questions and included as an additional document for completion. These questions have been updated to reflect their importance in the Trustees' eyes and the General Assembly guidelines. They are now regarded as "*fundamental*" to a proposal not "*supplementary*."

The new forms will be ready for use by 1 August. They will replace all current forms in circulation and must be used for all property applications from that date. Initially, the form will be available on request from the CPT office and we hope to have them available on the CPT web page a little further down the track.

We're sure the new forms will help parishes and Presbyteries to focus on the reason for each property application and how it will contribute to the mission and growth of the Church.



#### **PIF Interest Rate**

While interest rates are slowly rising, it is unlikely the PIF rate will be lifted above 5.00% pa for a while. Equally, it is unlikely that the Trustees will drop the rate provided the current upward trend continues.

#### **Large PIF Withdrawals**

To assist with cash flow monitoring, we require 5 working days' notice for any PIF withdrawals of \$100,000 or more. This applies whether you process your own withdrawals via electronic access to the PIF or request the CPT office to process the transaction.

#### **PIF Cheque Deposits**

Just a friendly reminder that cheques for depositing to your PIF account need to be made payable to **Grosvenor Custodial Administration** (not to the Trustees)

### **And last but not least..... IEPs and DEEs**

Thanks to all parishes that've completed these and forwarded them to the CPT office. Our information base is growing, but we need to keep up the momentum in our efforts to ensure safe church buildings. So, if you have yet to send in your parish's IEP or DEE, we'd love to receive it as soon as possible.