

ST JOHN'S CHURCH

RULES TO GOVERN

ST JOHN'S CAPITAL TRUST FUND

AS CONSIDERED BY THE CONGREGATION

ON 9 DECEMBER 1990.

Section 1

DEFINITIONS

- 1.1 "Adherent Roll" shall have the same meaning as in the Book of Order and shall be the Adherents on the roll of St John's Church.
- 1.2 "the Act" means the Presbyterian Church Property Act 1885 (as amended)
- 1.3 "Amalgamated Investment Fund" means the fund of that name established and operated in terms of the Act by the Trustees
- 1.4 "the Amending Act" means the Church Property Amendment Act 1974
- 1.5 "Authorised Investments" means any investments authorised by the Act.
- 1.6 "Board of Managers" shall be the Board of Managers (as defined in the Book of Order) for St John's Church.
- 1.7 "the Book of Order" means the Book of Order of the Presbyterian Church of New Zealand.
- 1.8 "Communicants" shall have the same meaning as in the Book of Order and shall be the Communicants of St John's Church.
- 1.9 "Communicant Roll" shall have the same meaning as in the Book of Order and shall be the Communicants on the roll of St John's Church.
- 1.10 "Committee" means the Investment Advisory Committee appointed by the Board of Managers under Section 3 of these rules.
- 1.11 "Congregation" means the congregation of St John's Presbyterian Church in Wellington being all those people listed on Communicant Roll and Adherent Roll for St John's Church.
- 1.12 "Congregational Meeting" shall be a meeting of the Congregation called in accordance with Clauses 2.5 and 2.6 of this document.
- 1.13 "Council of the General Assembly" shall have the same meaning as in the Book of Order.
- 1.14 "General Assembly" shall have the same meaning as in the Act
- 1.15 "Managers" shall have the same meaning as in the Book of Order
- 1.16 "Property" shall have the same meaning as in the Act
- 1.17 "Pulpit" means the pulpit of St John's Church
- 1.18 "Session" shall have the same meaning as in the Book of Order
- 1.19 "St John's Church" shall mean the congregation of St John's Presbyterian Church, Willis Street in Wellington
- 1.20 "St John's Church Site" shall mean the site bounded by Willis Street, Dixon Street and McDonald Crescent generally known as 176 Willis Street, Wellington held by the Trustees for the Congregation.

- 1.21 "Trustees" means the Trustees appointed in Terms of the Act
- 1.22 "the Trust Fund" means the funds obtained from the sale of the surplus plot ration at St John's Church site and held by the Trustees in terms of the Act for St John's Church
- 1.23 "Wellington Presbytery" means the Presbytery (as defined in the Book of Order) assigned as the Wellington Presbytery by the General Assembly.

SECTION 2

INTRODUCTION

- 2.1 In terms of Section 15(1) of the Act the Trust Fund is vested in the Trustees.
- 2.2 When administering the Trust Fund the Trustees are in accordance with Section 20 of the Act entitled to take into account the wishes of the Congregation for whose benefit the Trust Fund is being held by the Trustees.
- 2.3 These rules record the Congregation's wishes regarding the Trust Fund and accordingly govern the directions which the Board of Managers of the Congregation should give to the Trustees on the investment and application of the Trust Fund.
- 2.4 These rules shall not be adopted or altered except in accordance with the subsequent paragraphs in this Section 2.
- 2.5 A meeting of the Congregation called by resolutions of Session for the purpose of adopting or altering these rules can be called by giving at least 28 days prior notice by intimation from the Pulpit at a service held at St John's and at each successive Sunday Service preceding the meeting, stating the date, time and venue for such a meeting. In addition to such an intimation a Notice of Meeting, a description of the business to be discussed and the reason for this, and any resolutions to be decided on by the Meeting, shall be posted to each Communicant and Adherent three weeks prior to the proposed meeting.
- 2.6 At the Meeting called under rule 2.5 the business intimated in the Notice of Meeting may be discussed. It is competent for this meeting to amend any resolutions distributed under rule 2.5.
- 2.7 Should there be resolutions to adopt or alter these rules the Meeting called under rule 2.5 shall appoint three (3) Returning Officers to conduct and report a postal ballot of all Communicant and Adherent members.
- 2.8 Following the meeting called under rule 2.5 a list of resolutions to adopt or alter these rules together with a voting paper and explanatory material if required shall be sent by the Returning Officers to each Communicant and Adherent Member. Voting papers shall be numbered and shall display a date by which papers must be returned to the Returning Officers. This date shall not be earlier than 14 days from the date of posting all papers..

- 2.9 For a resolution to adopt or alter these rules to be passed at least 40% (forty percent) of all voting papers must be returned and 75% (seventy-five percent) of all papers must support the resolution. Voting shall be by a count of those for, against and abstaining (but returning a paper) from each resolution. A record of voting must be kept and reported by the Returning Officers to Session and the Board of Managers. The record of voting must be engrossed in the Minutes of The Board of Managers.
- 2.10 Any resolution to adopt or alter these rules will not be effective until such a resolution has been approved by the Wellington Presbytery and the Trustees.

SECTION 3

ESTABLISHMENT OF INVESTMENT ADVISORY COMMITTEE

- 3.1 The Board of Managers will establish an Investment Advisory Committee. The Committee will consist of not less than 3 nor more than 5 persons.
- 3.2 When appointing the Committee the Board of Managers will apply the following procedure:
- (a) The appointees to the Committee will be people experienced in investments in Property.
 - (b) The majority of the appointees will be members of the Congregation.
 - (c) Notwithstanding paragraph (b) above if there are insufficient members of the Congregation who are willing to be appointed to the Committee and who satisfy paragraph (a) of this clause the Board of Managers may invite other suitably qualified people to be members of the Committee.
 - (d) The Board of Managers in consultation with the Trustees may appoint a professional investment consultant (who will not be a member of the Committee) to assist and advise the Committee if the Trustees and/or the Board of Managers consider it appropriate to do so. In making such a decision the Board of Managers (in consultation with the Trustees) should appoint a professional investment consultant if the Committee, in the opinion of the Trustees and/or the Board of Managers, do not have sufficient investment experience to adequately perform their duties.
 - (e) Committee members so appointed may hold their office for three years, but they are eligible for re-election.
 - (f) The Board of Managers may in their absolute discretion remove any member of the Committee from office.
 - (g) The Committee will run in accordance with a set of procedures prepared by the Committee and approved by the Board of Managers.

SECTION 4

FUNCTION OF INVESTMENT ADVISORY COMMITTEE

- 4.1 The Committee will provide to the Board of Managers (or directly to the Trustees if approved by the Board of Managers), day to day investment advice in respect of the Trust Fund as they consider appropriate or as may be requested by the Board of Managers or the Trustees (as the case may be). All such advice will be given in writing to the Trustees or the Board of Managers (as the case may be).
- 4.2 The Committee may recommend to the Board of Managers the investment of the Trust Fund in any of the investments authorised by Section 3 of the Amending Act as if that Section related specifically to the Trust Fund and not to the Amalgamated Investment controlled by the Trustees.
- 4.3 As soon as practicable after the end of each financial year for the Trust Fund (which shall be the same as the financial year for the Congregation) ("the Financial Year") the Committee shall report in writing ("the Report") to the Board of Managers on the state of the Trust Fund as at that date of that year together with any recommendations it has in respect of the annual report to be presented to the Annual General Meeting of the Congregation by the Board of Managers.

The Report will include recommendations to the Board of Managers on:

- (a) appropriate accounting policies to be adopted for the Trust Fund including :
- (i) the approach to be taken on the valuation of investments;
 - (ii) the establishment of reserves;
 - (iii) the amount of income and/or unrealised gains to be transferred to reserves;
 - (iv) the amount of realised or unrealised losses to be debited to reserves and/or income.
- (b) The amount of income required for the purpose of maintaining the value of the Trust Fund in real terms against depreciation by reason of inflation, and the use of reserves for this purpose and accordingly the appropriate amount of income to be applied for these purposes.
- (c) The report will also include recommendations on investment policy as follows:
- (i) The types of investments that they consider are the most appropriate within the range of Authorised Investments.
 - (ii) The most advantageous spread of investments over the Authorised Investments.

- (iii) Their opinion as to any investment in public companies.
- (iv) A guide-line with respect to fixed interest or interest free investment by way of debentures, mortgages or other securities.
- (v) A guideline as to short, medium, and long term fixed investments.
- (vi) The extent to which they consider the Amalgamated Investment Fund should be used for temporary or short term investments.

SECTION 5

APPLICATION OF INCOME AND INVESTMENT POLICY

5.1 On receipt of the Report provided by the Committee in accordance with Section 4, the Board of Managers will consider the information and recommendations in the Report and will:

- (a) advise the Trustees on the accounting policy it is to adopt for the Trust Fund; and
- (b) advise the Trustees on the amount of income to be used to maintain the Trust Fund in real terms against depreciation by reason of inflation and the use of reserves for this purpose, and accordingly the appropriate amount of income to be applied for these purposes; and
- (c) prepare an investment policy for the Trustees setting out the manner in which the Board recommended that the Trust Fund be invested by the Trustees. If requested the Committee will assist the Board of Managers in preparing this investment policy.

Accounting Policy

Inflation Adjustment

Investment Policy

5.2 The Balance of the income not applied in accordance with paragraph 5.1 (b) above shall be applied as follows:

- (a) Firstly in payment of any expenses of the Trustees, the Board of Managers, or the Committee, incurred in the administration of the Trust Fund.
- (b) Secondly to provide for a high standard of maintenance and protection of the church property, buildings and furnishings having regard to the permanent preservation of the property as a site of national importance and the requirements of the Wellington City Council as set out in the deed relating to the transfer of the plot ratio dated 29 April 1987.

Expenses of Adminis.

Property Maintenance

(c) After the provision has been made for 5.2 (a) and 5.2 (b) the capital of the Trust Fund will be adjusted to take into account any permanent capital gains or losses. The allowance for such compensating adjustments will (in addition to the adjustments made for inflation as provided for in the preceding clause 5.1) be recommended by the Board of Managers to the Trustees following receipt from the Committee of a valuation of the property of the Trust Fund as at the end of each Financial Year.

(d) The balance of the income should be held in the Amalgamated Investment Fund to be disbursed as follows:

(i) Firstly to meet any shortfall in the current financial commitments of the church including any additional commitments which the Managers or Congregation may approve from time to time. Such financial commitments may include property off the St John's site where it is associated with the Ministry of St John's.

*Shortfall in
current
financial
commitments.*

(ii) Secondly for any or all of the following:

(aa) to provide for further capital developments of St John's Church Site by way of buildings or office facilities as may be recommended by Session and Board of Managers and approved by the Congregation and the Wellington Presbytery; and/or

Capital Dev.

(bb) to support the wider work of the Presbyterian Church within the Wellington Presbytery in consultation with the appropriate Presbytery committee or within or beyond New Zealand in consultation with the Council of the General Assembly; and/or

*Wider
work.*

(cc) to support by way of donations or sponsorship Christian, charitable, or community causes as may be recommended by the appropriate church Committee endorsed by the Board of Managers and in the case of major projects as approved by the Congregation.

Donations

It is acknowledged that the Board of Managers when allocating any income in accordance with this Section 5 can also provide that such allocated income will be accumulated in the Amalgamated Investment Fund until the Board of Managers are satisfied that there are sufficient funds available for the carrying out of such nominated purposes.

SECTION 6

REVIEW

- 6.1 The Board of Managers shall review these rules not earlier than July 1995.
- 6.2 When reviewing this rules in accordance with the preceding paragraph the Board of Managers shall take particular account of the provisions relating to the provision for adjustment to take into account capital gains and losses.
- 6.3 If the Board of Managers determine that any alterations to these rules are necessary or desirable they shall follow the procedures of Section 2.