

Liberty Trust

PO Box 2211, Whakatane



Newsletter and Chairman's Annual Report

For the Year Ended 30 June 1991

29 November, 1991

Greetings to all those contributing or sponsoring in our interest-free lending fund. Greetings in Jesus' Name.

It is almost twelve months since I wrote last. It is only natural that the absence of a newsletter brings concern and for this I most sincerely apologise. It was planned last May, but did not eventuate, due really to the many issues that have faced us this year. Chief among these have been the fall in personal incomes, unemployment, and the fall in interest rates. These have occurred just when we were about to launch Group Two.

At the commencement of this year the Trustees spent a considerable time in prayer and research in response to various suggests that Group Two should take a different form from Group One. Finally, from our examination of the alternatives, we resolved that our present system is the best. At the same time we re-wrote the application forms and obtained banking approval to replace the system of automatic payments with direct debiting. Changing from \$20 to \$21 per week as many people had changed their bank accounts unknown to us while others mislaid the form we sent them in the last newsletter.

Financial circumstances still seem in turmoil. Out of all the pessimism though, the paramount feature God is telling us is that He is in control. Trust Him! Every dollar that is contributed is given to His Kingdom for His work. Circumstances are ever changing but that fact remains. It is God's Kingdom and it will be exciting to see what He will do with it.

Results This Year

Last year at annual balance date (30 June 1990) we had advanced 5 mortgages totalling \$11,800. This year one of those has been repaid and a further seven have been advanced totalling \$174,632. Audited annual accounts are available upon request.

The disturbing feature however has been the number who have had to cease contributing due to unemployment or the reduction in social welfare benefits. Our number now stands at 108 compared with the 122 who originally commenced. These people have contributed to God's Kingdom, and it is with a great deal of sorrow that we say "Thanks, but we can't help you". Currently there are several others just hanging in and desperately needing sponsorship. I must point out again that the reduction in numbers does not injure the fund or its speed as there are now fewer mortgages to be given. Their loss only restricts the size of the fund.

Structure of Liberty Trust

Liberty Trust was not set up solely to run a mortgage scheme. It is a charitable trust established to benefit a broad spectrum of Christian works. This year a budget advisory service has been established in Whakatane under the covering of Liberty Trust. This is interdenominational and works alongside the civic budget advisory service. Two Christian accountants head it up together with trained volunteers. Phone John Anderson 308-6882 for further details.

We expect to add other Christian works under the umbrella of Liberty Trust. If you belong to a group which would benefit from the covering of a registered charitable trust we would be pleased to hear from you. We intend that groups within the umbrella of Liberty Trust continue running as before but that their financial accounts be published with ours from a legal point of view. At law we would be responsible for their well-being.

Group Two

In September a letter and application form was sent to those who had expressed an interest in joining Group Two. The response was not great as many of these people concluded they simply could not afford \$25 per week in addition to their present commitments. (We have increased the contribution rate to the new group to \$25 to reduce the time of the group.) There lies the problem. Can people afford this?

Recently when the Trustees met for prayer we prayed specifically about the principle of adding new members to the existing group instead of having a series of groups. As we prayed, God spoke of oneness and unity, but brought to mind Matthew 20 verses 1-16, the parable of the workers in the vineyard. The principle of Jesus' teaching here was that those who commenced late receive the same reward as those who worked all day. The particular words He gave were from verse 13 "Friend, did you not agree with me ...". This added a further point: We must not prejudice in any way the arrangement agreed with those who commenced at the beginning. However, there is a major difference between our fund and the parable - the owner of the vineyard agreed to pay a certain sum to those who commence early in the morning. Our was to give each an interest-free mortgage by drawing draw lots (ballot) with no agreed time commitment to each.

We have since resolved to add new members (at \$25 per week) to the existing group providing the position of the earlier contributors is not thereby prejudiced.

Safeguards

Firstly let's imagine we had a second separate group in which the average details were the same as the first. Then the second group would simply start and finish 2.5 years after the first. Now, if we were to add the second group to the first we would need to ensure that the average new applicants' mortgage

is no larger, by placing a maximum limit on the newcomers. The paramount principle is that no foundation contributor's entitlement should be prejudiced as a result of the addition of new contributors. The Trustees will therefore ensure that ballots for our original contributors will not be delayed as a result.

Can I say again that we're excited by what we see? I often say that. How often have we found seemingly impossible problems. The we have a prayer evening and WOW - inspiration and breakthrough! I don't think we have ever had a prayer evening that hasn't ended with wonderment and laughter. GOD IS SO GOOD. We are divinely led, just as you are. It is good to know that He is patient and is THE ANSWER.

Nevertheless we are constantly confronted with the reality of current financial pressures. Presently one contributor is threatened with a mortgagee sale. Others may soon be if Housing Corporation continues its policy of mortgagee sales for those who cannot repay Homestart loans. These issues were not anticipated.

Please continue to pray for us for what God is enabling.

Yours in Christ

Kelvin

Kelvin Deal
Chairman

29 November, 1991