



# LIBERTY *Matters*

NEWSLETTER OF LIBERTY TRUST

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## Welcome!

We have been thrilled to welcome an unprecedented number of new members over the last three months from all over NZ including the Hibiscus Coast, Te Puke, Porirua, Auckland, Gore, Dunedin, Kawerau, Tauranga, Hamilton, Whangarei, Wellington & Ashburton. It is wonderful to have you join us and we look forward to journeying together with you.

May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit.

Romans 15:13

### PATRON

Ps Bruce McDonald

### TRUSTEES

**Kelvin Deal** (Chairman)  
Chartered Accountant

**Jonathan Segedin**  
Building Sales

**Colleen Medwin**  
Senior Teacher

**Tom McDowall**  
Operations Manager

**Robert Cleland**  
Dairy Farmer

### ADMINISTRATION

**Kerryanne Dalgleish**  
Secretary

**Jenny McDowall**

**Kathleen Deal**

**Fleur Turner**

**Ann Kerr**

## Why is Interest-free of so Much Interest?

# 0% INTEREST

Much is made of the fact that Liberty Trust does not charge interest but together with Ark Resources we have lent over 34 million dollars interest-free for the New Zealand community. For this reason we have been featured on TV3 News, interviewed by Campbell Live and also by Seven Sharp and earlier this month we were interviewed by Radio New Zealand on the same subject.



Kelvin Deal  
Chairman

From the beginning of Liberty Trust the verses of Deut 23 v 19 – 20 would be quoted by my wife Kathleen in our brochures:

*“Do not charge your brother interest, whether on money or food, or anything else that may earn interest. You may charge a foreigner interest, but not a brother Israelite, so that the Lord your God may bless you in everything you put your hand to.”*

It may surprise you to know that it took me several years before I came to accept that ‘Interest-free’ was both practical and a Bible principle.

As an experienced practising chartered accountant I was uncomfortable with the concept. I used to object saying, “Just as a labourer is worthy of his hire (Lk 10:7), so a lender is worthy of interest on the money he has loaned.”

My personal definition of a Bible principle is: “one that is both taught and practised throughout the entire Bible”. One day Kathleen pointed out to me – “You know, ‘lending interest-free’ is a Bible Principle.” That stunned me. I thought I could spot a financial Bible principle a mile away. She was quite right. Interest-free lending not only fulfilled that definition, but it continued to be taught and practised right up until the early ages in Europe, when The Church gave in to popular pressure to support borrowing from commercial money lenders. That decision has led to the world economic mess we have today.

“But ‘interest-free’ isn’t practical,” I countered. “If those with money lent ‘interest-free’ to those without, you would have a society where some people would always be the givers, and those without – the takers.”

“No it wouldn’t,” she replied. “Everyone today needs to borrow at some time in their lives. But imagine a community where no-one has to pay interest. What a difference that would make. It’s very practical.”

I became convinced. Living ‘interest-free’ is very practical.

## Is Liberty Trust really ‘Interest-free’?

What about the 20% contribution? Isn’t that really interest-in-advance?

We often get asked these questions. We teach that contributions to Liberty Trust are simply the Bible principle: ‘Sowing before Reaping’. And all ‘sowing’, by definition, must be at some cost. There is also an element of faith. It is this faith requirement that prevents many from joining. I chuckle at that. It seems that God in His wisdom has installed a method of sorting out the genuine; those with sufficient faith to put their money where their mouth is.

Jesus likened it to a seed. Before it can give birth it first has to die (Jn 12:23-24). It is a God-given principle which ‘the world’ doesn’t yet understand.

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## Upcoming Events

Fri 31 Jul: Palmerston North  
Mon 30 Aug: Fielding  
Mon 10 Aug: Masterton  
Sun 30 Aug: Opotiki  
Mon 7 Sept: Taupo  
Fri 10 Oct: Wellington

Further details on our website and facebook page.

If you would like to host us in your region please let us know.

## **Does the fact that there is a 'cost' of contributing run counter to the claim of being 'interest-free'?**

To answer that I think we really need to get back to the original instructions that God gave us prophetically in 1986: "You should pool your resources and lend to each other without interest".

There was certainly a cost to "pool resources" when people were suffering severely under bank mortgage interest rates of 18-20%! Two elderly widows who joined had solicitor mortgages of 25%! They were in a desperate situation and couldn't afford to repay any mortgage principal at all. They both described their position as "hopeless". At our suggestion they each received sponsorship into Liberty Trust from their families and before long we were able to replace their 'interest-only' mortgages with 'interest-free'. They were over-joyed and without the huge burden of interest it wasn't long before they became debt free!

But in reality their situation was better than people who rent a house, at least they had an asset to pass on to their families!

Pastor Bruce McDonald suggested back then that most could contribute \$20/week if they went without luxuries like ice cream and coffees. And so we began with around 100 contributors, each giving \$20/week. Collectively they owed \$5.5 million in bank mortgages, to which would be added a further \$7 million in interest if we didn't act. So we did.



### **What should this cost be called?**

The cost should definitely not be called 'Interest'. Unlike interest which depends on ever-changing world finance rates and cannot be accurately predicted, the cost of contributing to Liberty Trust is completely independent to interest rates and is known and agreed from the outset. As Jesus said "Suppose one of you wants to build a tower. Won't you first sit down and estimate the cost to see if you have enough money to complete it?" (Lk 14:28). Over the 26 years Liberty Trust has been operating NZ mortgage interest rates have yo-yo'ed to 15.4% then down to 7.4% then back up to 11.5% and down to 6.4% then up to 10.7% then down to the current low of around 6.5%, causing interest-paying borrowers great concern and hardship and making it quite impossible for them to estimate the cost of buying a house. However Liberty Trust does not borrow and is completely independent of world interest rates. Our standard contribution rate of 2% per year for ten years is based on the cashflow necessary for each to be offered an interest free loan within the desired ten years. So you *can* estimate the cost before building your home and you need not be anxious of what the future may bring because your contribution is not interest, it is completely independent and unrelated to interest rates. Interest rates may increase but the contribution rate will not.

An even more important difference between contributing to Liberty Trust and paying interest to a bank is that Liberty Trust contributions build God's Kingdom in a great way while interest on a normal mortgage is largely wasted - most being spent to offset the cost of the *lender's interest* which they pay when borrowing your funds from *others* and any profit beyond these costs going to profit the shareholders. Last year ANZ announced a full year profit of \$7.3 billion after costs, to benefit their shareholders! Liberty Trust is not governed by the pursuit of profit but by God's principles of love and helping each other. Your funds are not used to pay interest to the world but to advance God's Kingdom. Our costs are very low and around 90c of every dollar received is used and re-used over and over again to help others. You can download a copy of our financial statements at [www.libertytrust.nz/finances](http://www.libertytrust.nz/finances). Liberty Trust began with nothing but a mandate from God and has raised over \$11 million of resources which are being used for God's purposes! By giving to Liberty Trust you are not wasting your money on interest but promoting God's principles and assisting hundreds of NZ households and churches to be set free.

We initially called the \$20's per week we received "Contributions" as people are 'contributing' to help others. Romans 26:15 tells of making "a contribution for the poor among the saints at Jerusalem". We have also called the contributions "Donations" in order to emphasise that they are voluntary and non-refundable gifts to support a Christian charity. But perhaps this isn't the best word, as this implies that they are given by people to a separate organisation from themselves. Liberty Trust's members give to a community of which they are already a part.

If you want a Bible word that is closer, why not "Sharing"? "Moses chose to share ill treatment with the people of God." (Heb. 11 v 25). 1 Tim 6:18 tells us "to be generous and ready to share" and Hebrews 13:16 "Do not neglect to do good and to share what you have, for such sacrifices are pleasing to God". The community in Jerusalem "shared everything they had" (Acts 4 v 32).



Another great description would be "Pooling your Resources" - that's what our instructions called it!

## **Conclusion**

No matter how it is phrased, there is a cost in sowing/ contributing/ giving/ donating/ sharing or pooling. We know it is a sacrifice to contribute to Liberty Trust and we are so thankful for everyone who is playing a part in the building of our storehouse to help others. Already we have been able to use every dollar we have been given three times on average! What will that dollar accomplish by the time Christ returns?

Yes, "Interest-free" is completely practical when it is a part of a loving, supporting community (Jn. 13 v 34), and it is God's amazing answer to a sick world.





# A Leaf from the Ark

NEWSLETTER OF ARK RESOURCES LIMITED

June 2015

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## DIRECTORS

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Accountant

**Jonathan Segedin**  
Building Sales Rep

**Kelvin Deal**  
Chartered Accountant

Greetings in the wonderful name of Jesus.

Over the last three months we have been thrilled to lend interest free mortgages to families in Wellington, Torbay, Tauranga, Raumati Beach & Rangiora, bringing our total lent to over \$34 million! We are thrilled to include three wonderful testimonies in this newsletter.

*Working together  
to release people  
for the Kingdom  
of God*

## Living in the fullness that God promises

Sarah and I have been married for almost 6 years and we have three delightful children under 5; Isaac, Hudson and Heidi. After half a lifetime of renting we feel extremely grateful, privileged and blessed to have just moved into our first home in a great neighbourhood with friends close by.

I started saving with Liberty Trust in my late 20's but wish I'd started sooner. As a real estate agent, every day I see people putting themselves under the power of the banks for bigger and better homes and so for our house choice we've opted for small but perfect.

God's Word tells us not to worry about where we'll sleep, or what we'll eat or wear and since becoming the main bread-winner in our family I've found this to be a bit more of a struggle. He also promises to give us the desires of our heart and the more I get to know Him, the more things seem to fall into place and the easier it is to find peace.

Our desire is for financial freedom for our family so that we can go out and live in the fullness that God promises. I want to teach my children that bringing the Kingdom of Heaven into the here and now is a giant adventure. It's not God's will for us to be held back by a mountain of debt.

I wasn't looking for a home but shortly after our loan became available a lovely Christian lady in our old street took me to see her neighbour's derelict house. They'd been minding it for the owner for three years since he'd gone home overseas and he'd finally decided to sell. It was a 95msq home with two levels and four bedrooms but leaky and mouldy, with illegal lean-tos on two sides and all on a defective cross-lease section completely overgrown with trees but it was just what we needed. After agreeing on a fair price we bought it and with the help of an outstanding builder from our church and many long-suffering friends and family we have since set about redeeming the property from the ground up. Do-ups can sometimes be a risk but from my research, I knew that this was a good investment for the location and the only way for us to buy a house that we wouldn't grow out of. The folks at Liberty Trust were great to deal with despite the roller coaster ride we had in purchasing the house. The overseas owner had very little English and much was lost in translation!

I have always been a fan of the tiny house movement and Sarah always wanted a house to rescue. We replaced everything but the foundations and the frame. We've made it as environmentally friendly as possible with full insulation, double glazing, rainwater tanks, gas hot water, and there'll even be a small green roof over the entrance. We hope to have it on solar power by the end of the year and my goal is to eventually be off-the-grid in the middle of the city. It's still a work in progress but we've been amazed at how God has given us a home that is so much more than we could ever want or imagine.

I think as a nation we spend too much time focussed on the question of where we will live and how will we pay for it. Liberty Trust is God's answer to that question. By making house buying a cash purchase rather than a credit transaction, Liberty Trust rejects the media driven discontentment, instant gratification model to promote saving and living within ones means. This leads to contentment followed by freedom and peace. Praise God and thank you Liberty Trust!

Jason & Sarah Penny



# What do you have that God hasn't given you?

We started contributing to Liberty Trust in 2006, after hearing a presentation at a church home group. Although we had heard of Liberty Trust before we had never acted on it, but from this presentation we were inspired to contribute to the fund because of the idea of helping others become mortgage free with the combined contributions of fellow believers.

When we started out, we had no specific project to eventually put the money towards, but trusted that when the time was right we could use it wisely. Throughout the years of contributing, we have had times when it became difficult to keep up with the payment schedule, but we knew we could temporarily decrease the amount and catch up again later. Throughout the process we were inspired by the Scripture in 1 Cor 4 v 7:

What do you have that God hasn't given you?  
And if everything you have is from God, why boast as though it were not a gift?

And indeed God has given us many things, including the ability to continue with the contributions. Our main motivation has been the belief in the power & effectiveness of combined funds, helping each other and not charging interest.

Last year, we were given the opportunity to take up the loan, somewhat earlier than expected. After some consideration we decided to use it towards reducing an existing mortgage and in doing so, speed up repayment of this debt considerably.

We are very grateful to Liberty Trust for helping us to achieve financial freedom. We have also encouraged our children to set their own financial goals with assistance from Liberty Trust in order to become debt free sooner.

Regards, Elise and Paul Hofsteede  
Tauranga



## He will make your paths straight

Hi we are: James, Tracey and Daniel McDowall. James is an Electrical Engineer, and Tracey has her own career coaching business alongside being a mother. We both have Christian families who treat the stewardship of money as an important value.

We were encouraged to join Liberty Trust by James' parents, and know other people who are part of it, and so making the decision to join up and start contributing was not a hard one. We have a lot of belief in the mission of Liberty Trust as well as the stewardship. We have contributed knowing that our contributions will not only help us, but will also be used to help others get out of debt. It feels so much better than giving money to the bank. Through the years between starting contributing and receiving the loan, a lot has happened with us getting married, changing jobs, and God blessing us with a great little house to call our own.

In early 2014, we were excited to find out Tracey was pregnant with our first child. Then shortly following that, we were informed that the loan was going to be made available. The timing of receiving the loan was God sent, as we received the funds within weeks of the birth of our son Daniel.

We are hugely blessed to be able to make a real dent in our mortgage to the bank, and start making significant progress to being out of debt. We look forward to Daniel being able to enjoy growing up in a home that we are secure in our ownership of.

A verse that we are enjoying at the moment is Proverbs 3:5 "Trust in the Lord with all your heart and lean not on your own understanding; in all your ways submit to him, and he will make your paths straight."



James, Tracey & Daniel

