



# LIBERTY *Matters*

NEWSLETTER OF LIBERTY TRUST

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Hello everybody. Welcome to our Winter edition of Liberty Matters. It certainly feels like Winter in Whakatane at present. We have had torrential rain and 200 houses have had to be evacuated. The water got into our office, soaking the carpet and a wall and is presently causing havoc with the electricals.

A big welcome to our new supporters who have recently joined our journey. These include households from Northcote, Levin, Whakatane, Christchurch, Tauranga, Ashburton, Papatotetoe, Timaru, Pokeno, Lower Hutt, and Hillsborough Auckland.

In our April newsletter we advised that our charitable status was under review by the Charities Commission. Well the Commission decided that we do not fit the legal definition of a charity and accordingly de-registered us from the Charities register from 15 April!

We are astounded by this and have lodged an appeal to the High Court. To be a charity in New Zealand you need to be either relieving poverty, advancing education or advancing religion, each for the public good. As you will realise, our foremost purpose is (and has always been) to advance God's Kingdom.

We do this by teaching and demonstrating the financial principles of the Bible so the public (& the Church) can better understand, trust and follow God's Word—which leads to liberty. Our teaching, publishing, giving, budget advice & interest free lending also help to relieve poverty and advance education but these are secondary to our desire to advance God's principles in New Zealand.

"Teaching the Bible's financial principles" has always been our first purpose but the Commission ruled that this is merely "conducive to religion", not "advancement of religion". This leaves many Christian charities and Bible Colleges under threat of de-registration! We have received overwhelming support & encouragement and have several excellent affidavits from respected New Zealand Bible academics and Christian leaders as evidence for our High Court appeal.

Unfortunately the law has never been clear on the meaning of the purpose: "advancement of religion" in the English Charities Act of 1601. In the 400 years since then there have been very few legal cases in the British Commonwealth to clarify the law.

Some of you were no doubt surprised to see Liberty Trust featured on the Saturday 6 pm national news by T.V.3 on 8 May. It was a most supportive news story. As they put it —"*The Liberty Trust faces being deregistered as a charity despite making no money, and helping hundreds of needy people*". They interviewed Kerryanne and a loan recipient, Bronwyn Palmer, a tax advisor, and our actuary, Charles MacDonald. You can view it on our website at [www.libertytrust.org.nz/new.htm](http://www.libertytrust.org.nz/new.htm). I want to thank Bronwyn and Charles publicly for what they did at a moment's notice. We had about 20,000 hits on our website that evening!

Then on 4 June we received a phone call from the Inland Revenue to advise that they are reviewing our donee status and will hold 31/3/2010 donation refunds while they review whether donations paid to Liberty Trust meet the required criteria. A number of you have since contacted us to say you have received letters from the Inland Revenue questioning the purpose of your donation. At the heart of the issue is whether donors give merely to benefit themselves, or do they do so in order to support our ministry and benefit thousands of others in succeeding generations by building a storehouse that will help provide for The Great Commission and The Church in the age to come.

I can hardly describe the amount of prayer that has been going in by friends of Liberty Trust. Bill Subritsky, a leading N.Z. evangelist, has suggested we apply Matthew 18:18–19.

Throughout this saga the trustees have clearly been aware of God's presence and direction. We pray that the world may know too - John 17 v 20-23. We appreciate your prayers.

Kelvin Deal, Chairman



Remain in me and I will remain in you. No branch can bear fruit by itself; it must remain in the vine.

You did not choose me but I chose you and appointed you to go and bear fruit—fruit that will last.

Jn 15:4, 16



Kelvin Deal  
Chairman

Liberty Trust was begun by the Whakatane Baptist and Liberty Life Churches in 1989, following God's specific directions to teach and encourage God's people to follow God's principles & pool their resources to help one another, We seek to bring liberty through the teaching and demonstration of the Bible's principles, in particular sowing and reaping, stewardship, interest free lending and giving and helping each other as a community.

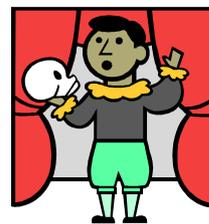
Liberty Trust provides free-of-charge budget assistance to the public and gives around \$10,000 per annum to support NZ churches and other charities. We send these newsletters with Bible teaching to around 2,500 churches and households four times a year and have also published several teaching books to give and sell without profit. However the bulk of Liberty Trust's funds are used for lending interest free so households and churches can own their homes and churches without a lifetime of debt.

## Why lend rather than just give? Is that Christian?

The Bible frequently encourages lending as a generous and righteous act. The Psalmist wrote: "*They [the righteous] are always generous and lend freely; their children will be blessed*" Ps 37:26. "*Good will come to him who is generous and lends freely, who conducts his affairs with justice*" Ps 112:5. Jesus encouraged us to lend when he said "*do not turn away from the one who wants to borrow from you*" Mt 5:42.

Implicit in all these Scriptures was the long-standing commands of Moses (Dt 15:7 & Dt 23:19) that all lending should be without interest or selfish gain. This was followed and repeated throughout the rest of the Bible (eg Pr 28:8, Neh 5:9-11 & Eze 13:18). Devout Jews, Christians & Muslims have followed this command for the many centuries since. When the leaders of the Christian Church met in 325AD to develop the Nicene Creed they included in their first canons the prohibition of charging interest on loans to brethren. The Second Lateran Council condemned any repayment of a debt with more money than was originally loaned and the Council of Vienna explicitly prohibited usury and declared any legislation tolerant of usury to be heretical. From AD 1179 those who practiced lending at interest were excommunicated.

In the medieval economy, loans were entirely a consequence of necessity and, under those conditions it was considered morally reproachable to charge interest. Furthermore it was commonly considered un-Christian to be a lender as the only ones to offer loans normally did so under oppressive terms and charging "sinful" interest. Think of the villainous lender of Shakespeare's *The Merchant of Venice*, and the advice in *Hamlet*: "*Neither a borrower nor a lender be.*"



However in the Renaissance era, loans began to be used not only for essentials such as food, or housing but by entrepreneurs by choice in the pursuit of profit, as well. The growth of commerce caused society, the government, and the Church to change its attitude towards lending at interest. This led to the start of the capitalistic economy that we now know.

Today debt has become so common and pervasive that the only way for most people to have a house or a church is either to rent for life or take out a very long mortgage at interest rates that can vary substantially—often leading to a lifetime of cost and stressful debt to the landlord or lender. Liberty Trust was birthed in 1989 following a decade when mortgage rates had averaged 16.8%—and for several months had been over 20%! Households were under extreme pressure and some churches were faced with the possibility of having to recall missionaries as they could no longer afford to support them. Their leaders questioned "Why should the work of the Gospel be curtailed due to the whims of the world's financial systems? Surely God had a better way?"

In response to their prayers God showed that we should work together and lend to each other without interest. Following the largely-forgotten commands of the Bible Liberty Trust has today equipped more than 250 families, churches, and individuals to buy homes and repay mortgages without interest and become debt free. Many of these are young people, widows, solo parents, elderly, beneficiaries, poor families & churches who would otherwise have been forced to remain renting or to borrow at high interest rates for the remainder of their lives.

In the 20 years since Liberty Trust began New Zealand interest rates have ranged between 15.5% and the recent low of 6%. We have recently seen the collapse of large financial institutions, the bailout of banks by national governments, downturns in stock markets around the world, the failure of key businesses, numerous evictions, foreclosures and prolonged vacancies, declines in consumer wealth estimated in the trillions of U.S. dollars, substantial financial commitments incurred by governments, and a significant decline in economic activity.

In response the Vatican official newspaper suggested in March 2009 "*The principles of Islamic finance may represent a possible cure for ailing markets.*" These "principles of Islamic finance" are very similar to those of the Bible, followed religiously by Christians for 1500 years. Isn't it incredible that the church could recommend we follow Islamic traditions instead going to the source of all wisdom—God's Word!

In obedience to the Bible's repeated commands to lend to each other without interest Liberty Trust has built a storehouse of \$6.5 million in permanent interest free circulation to equip New Zealand churches and households for the work of the Kingdom. Instead of being given and consumed, these funds have been lent once, repaid, lent again, repaid, lent again and are currently being repaid for the third time! In this way God's funds can be multiplied and used over and over again to assist many many more to follow God's commands and experience God's liberty. It's a tremendous vision and one that was not man-designed but God given thousands of years ago. It's great being a part of His plan together.

*Blessings, Kerryanne & the team*

