

PRESBYTERIAN CHURCH IN IRELAND



# General Investment Fund Scheme

Under Charities Act (Northern Ireland), 1964.

*ORDER DATED 8th JULY, 1965.  
MINISTRY OF FINANCE.*

# PRESBYTERIAN CHURCH IN IRELAND

## GENERAL INVESTMENT FUND

### Presbyterian Church Investment Fund

Order, dated 8th July, 1965, made by the Ministry of Finance under section 25 of the Charities Act (Northern Ireland) 1964.

The Ministry of Finance in exercise of the powers conferred upon it by section 25 of the Charities Act (Northern Ireland) 1964, hereby orders that the common investment scheme set out in the Schedule shall be and the same is hereby made and brought into effect.

### SCHEDULE

#### Scheme

#### Citation

1. This scheme shall be known as the Presbyterian Church Investment Fund Scheme (Northern Ireland) 1965.

#### Investment Fund

2. There shall be established in accordance with the provisions of this scheme on the 1st day of January, 1966 (hereinafter called "the commencement date") a fund to be known as the Presbyterian Church Investment Fund (hereinafter called "the Fund"), which shall be a common investment fund for the benefit of the participating charities hereinafter specified.

3. The Trustees of the Fund shall be the Trustees of the Presbyterian Church in Ireland (hereinafter called "the Trustees"), who shall administer and manage the Fund for the benefit of the participating charities, and in whom the investments belonging to the Fund and the income thereof shall be vested.

4. The Fund shall consist of the property hereinafter specified and such contributions as may from time to time be made thereto by participating charities in accordance with the provisions of this scheme and the property from time to time representing the same and the income thereof. By virtue of section 25 (15) of the Act the Fund will be deemed for all purposes to be a charity.

#### Participating Charities

5. The Fund shall be a fund for the investment of any property belonging to any charity connected with the Presbyterian Church in Ireland.

6. (1) Any such charity shall be qualified to participate in the Fund provided that:—

(a) A charity shall not participate if the power to do so is excluded by a provision in the trusts of the charity specifically referring to common investment schemes; and

(b) If a charity previously qualified to participate ceases to be qualified by reason of its power to do so being subsequently excluded or its connection with the Presbyterian Church in Ireland being

(2) No fraction of a share shall be recorded by the Trustees.

(3) The register shall at all times be conclusive as to the matters recorded therein.

16. The shares in the Fund attributed to a participating charity shall not be capable of being assigned, transferred or charged but this provision shall not preclude a transfer of shares from one charity to another in the register nor as regards a participating charity which with any necessary sanction borrows or proposes to borrow moneys shall it preclude the Trustees from undertaking so long as any moneys are outstanding to withdraw shares belonging to the participating charity only after notice to the lender.

17. The initial contributions made or to be made to the Fund by participating charities otherwise than in cash shall be valued and the number of shares into which the Fund shall be divided initially shall be attributed to the participating charities in proportion to the value of their contributions at the commencement date.

#### **Additions to the Fund**

18. (1) Contributions to the Fund other than initial contributions may be made at any time after the commencement date. The Trustees shall attribute to the charity making the contribution an additional share or shares in the Fund the number of which shall be calculated by reference to the basic value of the shares in the Fund on the last valuation date before the contribution was made.

(2) Any such contribution shall consist of cash unless the Trustees in their discretion agree to accept property other than cash.

(3) The Trustees may deduct from each contribution paid in cash before attributing shares in respect thereof to the charity making the contribution such investment charge as the Trustees may assess as appropriate for the purposes of this scheme.

(4) The Trustees may require the charity making the contribution to bear any special costs incurred in dealing with a contribution made otherwise than in cash.

(5) If the cash or property comprised in a contribution is not equal in total amount or value to one or more complete shares after deduction therefrom of any investment charge payable under this paragraph the Trustees shall attribute to the charity the whole number of shares nearest in value to the total amount or value of such contribution after the said deduction.

#### **Withdrawals**

19. (1) The Trustees shall on receiving two months' notice in writing from the trustees of a participating charity or such shorter notice as the Trustees may in any particular case determine withdraw as at any valuation date all or any of the shares attributed to that charity or such number of shares as shall be required to produce any sum of cash specified by the trustees.

(2) Where, in pursuance of sub-paragraph (1) the Trustees withdraw any shares from the Fund, the Trustees shall transfer or appropriate as soon as practicable after the said valuation date cash or property other than cash as may be agreed with the trustees of the charity of an amount or value equal at that valuation date to the basic value of the share or shares withdrawn determined in accordance with this scheme.

(3) The Trustees may deduct from any cash transferred from the Fund under the provisions of sub-paragraph (2) before paying the same to the trustees of the charity such charge as the Trustees may assess as appropriate for the purposes of this scheme.

(4) The Trustees may require the trustees of a charity requesting a withdrawal to bear any costs of transferring to them any property other than cash appropriated as aforesaid.

(5) On any such withdrawal from the Fund the cash or property transferred or appropriated shall subject to sub-paragraphs (3) and (4) be transferred to the trustees of the charity concerned or, at their direction, to any other persons to be held in trust for the charity and the number of shares into which the Fund is divided and the number of shares attributed to the charity shall after the relevant valuation date be reduced by the number of shares withdrawn.

(6) The trustees of a charity shall not be entitled to require that on a withdrawal from the Fund otherwise than in cash the property appropriated in satisfaction of the basic value of a share shall include the property or part of the property which formed the contribution represented by the share.

(7) Where the Trustees are of opinion that the charity to which any share is attributed is not qualified to participate in the Fund or that any share is not held in trust for a qualified charity, that share shall as soon as possible be withdrawn and the provisions of this paragraph shall apply as nearly as circumstances will admit as if notice of withdrawal had been given in accordance therewith.

(8) Where the trustees of a participating charity have requested the Trustees to withdraw any shares from the Fund in accordance with sub-paragraph (1), the Trustees may advance to the trustees of such charity out of cash forming part of the Fund any sum or sums not exceeding in all three-quarters of the basic value at the last valuation date of the shares so to be withdrawn. Such sum or sums shall be deducted by the Trustees from the cash to be paid by the Trustees to the trustees of the charity on withdrawal of the shares under sub-paragraph (2), provided however that where any property other than cash is to be transferred under sub-paragraph (2) the Trustees shall not make the transfer until the sums so advanced have been fully repaid in so far as they are not deducted from cash payable under sub-paragraph (2). Sums advanced under this sub-paragraph shall bear such rate of interest as may be fixed from time to time by the Trustees.

(9) The Trustees shall not be bound upon any withdrawal to sell any investments forming part of the Fund if in their opinion it is inexpedient to do so, but may from time to time borrow such sums as they may think fit for the purpose of making any payment due to the trustees of a charity withdrawing shares under this paragraph, and may charge the Fund with the repayment of such sums.

#### Valuations

20. (1) The Trustees shall value the Fund twice in each year at approximately six monthly intervals on such dates as they may determine and on any other dates if they think fit to do so. Any such dates are referred to in this scheme as "valuation dates".

(2) The following provisions shall apply to any valuation made for the purposes of this scheme of the Fund or of any property contributed to or withdrawn from the Fund:—

- (a) investments quoted on a stock exchange shall be taken at the mid-market price at the close of business on the valuation date of such stock exchange as the Trustees may consider to be most appropriate;
- (b) all property other than investments quoted on a stock exchange

shall be taken at such value as may be determined on each occasion by the Trustees;

- (c) for the purposes of this paragraph the Trustees shall be entitled at their discretion to obtain and accept a valuation of any property made by a professional person considered by the Trustees to be qualified to make such valuation or to treat the cost of acquisition of any property as the value thereof or to make such estimates of value as they may consider appropriate; and
- (d) fractions of £1 may be disregarded or rounded off to the nearest £1.

21. (1) The Trustees shall on each valuation date determine the income of the Fund for the distribution period ending on that date.

(2) Subject to the provisions of this scheme the Trustees shall, as soon as practicable after each valuation date, declare a dividend for the distribution period ending on that date and distribute it to the participating charities in accordance with their shares, proper allowances being made in respect of shares held for part only of the distribution period.

(3) In order to avoid or reduce fluctuations in the amounts distributed and generally for regulating distributions of income the Trustees may withhold from distribution and transfer to a Dividend Equalisation Reserve such amount of income as they think fit and may by transfer from the Dividend Equalisation Reserve increase the amount of income available for distribution: Provided that the amount so withheld from distribution in respect of any distribution period shall not exceed one-tenth of the net income of the period and that any time at which the amount of the Dividend Equalisation Reserve exceeds two per cent. of the aggregate value of the shares no further income shall be withheld from distribution.

(4) The Dividend Equalisation Reserve so far as invested shall be vested as one fund with the Fund and shall be treated as a charge upon the Fund of the aggregate amount for the time being credited to the Dividend Equalisation Reserve.

(5) The Trustees may decide conclusively:—

- (a) any question whether a particular receipt is capital or income of the Fund or how the same should be apportioned between capital and income;
- (b) any question of the period to which any income is to be attributed;
- (c) any question of apportionment between capital and income which may arise on a contribution or withdrawal or on the acquisition or disposal of any asset.

22. The basic value of a share shall be determined on each valuation date as follows:—

- (a) there shall first be deducted from the value of the total assets of the Fund (including the Dividend Equalisation Reserve) less the Liabilities thereof the value of the total distributable income for the distribution period ended on the valuation date in question.
- (b) to the sum attributable to the shares there shall then be added such amount of income, if any, as the Trustees may have determined to withhold from distribution and to transfer on that valuation date to the Dividend Equalisation Reserve and there shall be deducted from the sum attributable to the shares such amounts, if any, as the Trustees may have determined to transfer on that valuation date from the Dividend Equalisation Reserve and to distribute;

- (c) the basic value of a share shall then be calculated by :—
- (i) dividing the balance calculated in accordance with subparagraph (b) by the number of shares in the Fund on the valuation date; and
  - (ii) rounding off the resulting figure to the nearest one-tenth of one penny.

23. A certificate by the Trustees as to the value of the Fund or of any asset contributed to or withdrawn from the Fund or as to the basic value of a share in the Fund or as to the amount of any investment charge to be paid or of any deduction to be made under the scheme shall be binding on all concerned.

24. In the administration of a participating charity all sums distributed as income shall be treated as income of the charity and all sums distributed on withdrawal from or on the winding up of the Fund shall be treated as capital of the charity unless specifically designated by the Trustees as income or unless attributable to the assets of the charity which were expendable as income.

#### **Winding up**

25. (1) The General Assembly may by resolution determine that the Fund shall be wound up with effect from a date specified in the resolution.

(2) Where the General Assembly passes a resolution under subparagraph (1) the Trustees shall, from the date specified therein, hold the net assets of the Fund upon trust for distribution among the participating charities in proportion to their shares in the Fund.

(3) For the purpose of such winding up and distribution the Trustees may at their discretion :—

- (a) appropriate any property in specie to any share and so that different property may be appropriated to different shares;
- (b) sell any property or otherwise convert the same into money; and
- (c) make or cause to be made any necessary valuation, make payments to secure equality and generally settle any question requiring to be settled.

#### **Accounts and Audit**

26. (1) The Trustees shall keep accounts of the assets and liabilities of the Fund and of its income and expenditure and shall cause such accounts to be audited by the Trustees' auditors of accounts for the time being.

(2) The Trustees shall prepare an annual report on the operation of the Fund and a balance sheet, capital account and statement of receipts and payments made up to the 31st December in each year.

(3) The report, together with the audited accounts mentioned in subparagraph (2), shall be presented to the General Assembly at its annual meeting. The Trustees shall send one copy of the report and audited accounts to the trustees of each participating charity on request, and one copy of the report and audited accounts to the Ministry of Finance.

(4) There shall be shown in each such balance sheet as aforesaid or in a statement annexed thereto the basic value of shares in the Fund at the preceding valuation date to that to which the balance sheet is made up and there shall be shown in each such statement of receipts and payments as aforesaid particulars of any credits to or withdrawals from the Dividend Equalisation Reserve during the year to which the statement relates.

(5) The Trustees shall not be bound to provide any further information

to the trustees of participating charities than is provided for in this paragraph and in paragraph 14 (4).

#### **Amendment of Scheme**

27. (1). This scheme may be amended by the Ministry of Finance upon the application of the Trustees.

(2) Any such application shall first be approved by a Resolution of the General Assembly.

#### **Definitions**

28. In this scheme—

“The Act” means the Charities Act (Northern Ireland) 1964;

“basic value” has the meaning assigned to it by paragraph 22;

“charity” bears the same meaning as in the Act;

“commencement date” has the meaning assigned to it by paragraph 2;

“contribution” has the meaning assigned to it by paragraph 7;

“distribution period” means the period commencing on and including the day immediately following a valuation date and ending on and including the next ensuing valuation date;

“Dividend Equalisation Reserve” means the reserve established in pursuance of paragraph 21;

“the Fund” means the Presbyterian Church Investment Fund;

“General Assembly” means the General Assembly of the Presbyterian Church in Ireland.

“initial contribution” means a contribution on or before the commencement date;

“participating charity” means any charity out of whose property a contribution is made in accordance with paragraph 7 and shall be construed so as to include as a separate participating charity for the purposes of this scheme any fund established for any special charitable purposes in connection with a charity;

“share” in relation to the Fund means a division of the Fund made in pursuance of paragraph 14;

“trust instrument” includes any enactment or instrument which regulates the administration of a charity;

“the Trustees” means the Trustees of the Presbyterian Church in Ireland, as incorporated by Royal Charter dated 28th November, 1871;

“valuation date” has the meaning assigned to it by paragraph 20.

Sealed with the Official Seal of the Ministry of Finance this 8th day of July, 1965.