

# THE CHURCH OF SCOTLAND TRUST

## May 2015

### PROPOSED DELIVERANCE

#### The General Assembly

1. Receive the Report and thank the members of the Trust for their diligence.
2. Note the Trust's intention to commence discussions with the Pakistani Government with a view to transferring its Pakistani properties to the Government, either national or provincial, in terms of the 1958 Act, to be used for the benefit of the Christian community in Sialkot.
3. Re-appoint Mr Angus W Bethune and the Very Rev John P Chalmers as members of the Trust from 1 June 2015.
4. Appoint the Very Rev Dr E Lorna Hood as a member of the Trust from 1 June 2015.

### REPORT

The Church of Scotland Trust, which was established by Act of Parliament in 1932, submits its Eighty third Report to the General Assembly.

#### 1. The Work of the Trust

##### (a) General

The function of the Church of Scotland Trust is to hold properties outwith Scotland and to act as a trustee in a number of third party trusts. During the year it has dealt with various matters which have arisen regarding these properties and trusts. Matters of particular significance are noted hereafter.

##### (b) Third Party Trusts

The Trust is currently trustee of 56 third party trusts which benefit different areas of the Church's work. In 2007 the Trust instigated a Rolling Review Programme for these trusts. The Trust's Secretary and Clerk undertakes a review of the trusts annually, producing reports on half the third party trust portfolio to each of the February and September Trust meetings.

##### (c) Israel

The Trust continues to be consulted by the World Mission Council regarding ongoing and future developments relating to property in Israel.

##### (d) Pakistan

The Trust is disappointed to report once again that it cannot report any progress with the transfer of the Church of Scotland's property interests in Pakistan to a Church of Pakistan body, in terms of the Church of Scotland Trust Order Confirmation Act 1958. In addition no election has been held to appoint a Bishop for the Diocese of Sialkot.

As the Chairman of the Trust reported to the Assembly last year the Trust and the World Mission Council gave the Church of Pakistan the deadline of this Assembly to create a suitable body for the transfer of the Trust's heritable property in Pakistan. The Trust and Council made it clear to the Church of Pakistan that if this deadline was not met they would commence discussions with the Pakistani Government with a view to transferring its properties to the Government, either national or provincial, in terms of the 1958 Act, to be used for the benefit of the Christian

community in Sialkot. In October the Church of Pakistan's Synod Executive Committee decided to establish a Synod Property Trust which would be a suitable body to receive the Church of Scotland's properties. This decision was welcomed by the Trust and the World Mission Council but we still await the implementation of this decision prior to the intimated deadline.

Since 2008 the Trust and World Mission Council have spent over £90,000 in direct costs connected with resolving property issues and defending court cases relating to property matters in Pakistan. This does not include costs relating to meetings and visits to Pakistan and takes no account of the countless hours of time spent by numerous Church staff and volunteers trying to bring matters to a satisfactory conclusion. The Trust and Council cannot allow this continued drain on their resources, which gives no positive benefit to the Christian community in Pakistan. The inability to transfer the heritable properties to a suitable body within the Church of Scotland's Partner Church in Pakistan leaves the Church of Scotland open to risk from further court proceedings, including public liability claims. The Trust has endeavoured to mitigate this risk through the proposed property transfers to our Partner Church, who have had day to day management and control of these properties for over 50 years, but these efforts, which have been ongoing for a similar period of time, have failed. Sometimes difficult decisions have to be made and the Trust's decision to open negotiations with the Pakistani Government has not been made lightly. However, the Trust sees no alternative if they are to protect the wider assets of the Church of Scotland.

Representatives of the Trust and the World Mission Council continue to meet with their attorney for Pakistan, Dr Peter David regularly to monitor developments and agree future

strategy. Dr David and his Administrative Assistant, Qamar Rafiq undertake sterling work on behalf of the Trust and the Trust would like to record its appreciation to them both.

As reported for a number of years, the Trust continues to be a party to a number of court cases involving its property interests in Pakistan. The Trust is legally represented in all these cases but, due to the nature of the Pakistan legal system, it is anticipated that the cases will be ongoing for some time.

## **2. Accounts for 2014**

The Trust's Accounts for the year to 31 December 2014 have been independently examined and copies thereof are available on request from the General Treasurer.

## **3. Membership**

In accordance with the constitution of the Trust, the following two members retire by rotation on 31 May 2015 but are eligible for re-appointment: Mr Angus W Bethune and the Very Rev John P Chalmers. It is suggested to the General Assembly Mr Angus W Bethune and the Very Rev John P Chalmers be re-appointed as members of the Trust from 1 June 2015.

It is suggested that the Very Rev Dr E Lorna Hood be appointed a member of the Trust from 1 June 2015.

*In the name and by authority of The Church of Scotland  
Trust*

JOHN M HODGE, *Chairman*  
CHRISTOPHER N MACKAY, *Vice-Chairman*  
JENNIFER M HAMILTON, *Secretary & Clerk*