

Church Property Trustees - Annual Report 2022

Introduction:

The function of Church Property Trustees is to hold and administer trust property and investments in accordance with the Anglican (Diocese of Christchurch) Church Property Act 2003 [CPT Act].

Activities – 2022:

Earthquake Recovery Programme [ERP]:

All earthquake claims were formally settled during the year with parishes completing Deeds of Settlement. This meant that excess insurance funds of \$8 million were able to be distributed to parishes that had sustained damage. The programme is now in a 'defects' period to ensure all work has been successfully completed. It is expected that this period will close within the next few years and be followed by distribution of any remaining funds to parishes on the same basis as the \$8 million.

Christ Church Cathedral:

At the start of 2022 CPT became the 100% shareholder of Christ Church Cathedral Reinstatement Limited [CCRL], the entity undertaking the reinstatement project. The government wound up the fundraising trust it had established, and its 50% shareholding was transferred to CPT. Fundraising activities have been incorporated into the work of CCRL. Trustees Bishop Peter and Steve Wakefield represent CPT on the CCRL Board of Directors.

The strengthening of the Cathedral building to 34% NBS has been achieved and completion of this stage has allowed the main repair and strengthening work to begin.

Finance & Property:

CPT Finance has had a difficult year as markets deal with the fallout from Russia's special military operation in Ukraine, the effects of global 'quantitative easing', and levels of inflation not seen in a generation. The falling markets have had an adverse effect on the funds under management with the Fixed Income Fund and Balanced Growth fund both sustaining losses in 2022. The distributions to investors remained unchanged throughout 2022, with the Fixed Income Fund paying 3.25% and Balanced Growth Fund 4%.

CPT Property has continued to undertake the sale of properties no longer required for mission and ministry, the purchases of properties where required, monitoring of parish building projects, and assisting with central and local government compliance requirements. Increases in construction costs meant that the valuation, for insurance purposes, of the diocesan property portfolio rose sharply to over half a billion dollars.

Activities Planned for 2023-2024:

CPT staff continue to support the diocese through management of Estates and invested funds, oversight of the considerable property portfolio, including insurance matters. The team will continue to assist with the presentation of information and other support to Standing Committee as it develops actions in response to the Diocesan Mission Action Plan.

Trustees & Staff:

- At Synod 2022 Robert Bijl and Peter Flannery, having rotated off in accordance with the CPT Act, were re-elected.
- The final members of the Earthquake Recovery team were farewelled. Thanks go to Julie McQuilken and Kerryn Mercer.
- The Board wishes to thank all staff for the work they undertake on behalf of the Diocese.

Bishop Peter Carrell, Chair, Church Property Trustees