

## **ACT FIFTEEN**

### ***Of the Diocesan Board of Trustees***

#### Constitution

- 1** There shall be a Board of Diocesan Trustees, also called the Diocesan Trustees, who shall be –
- (a) the following persons ex officio :
- the Bishop, who shall be the Chairperson;
  - the Suffragan Bishop(s) in the Diocese;
  - the Dean;
  - the Diocesan Secretary;
  - any Assistant Diocesan Secretary or similar functionary responsible for property administration;
- and,
- (b) the following persons elected by Synod:
- three Archdeacons; and
  - not less than five, and not more than seven laypersons.
- 2** The Bishop shall designate an acting chairperson if he/she is not able to chair a meeting. If the Bishop is absent from a meeting and does not designate an acting chairperson, the meeting shall elect an acting chairperson.

#### Elected Members: Term of Office

- 3** (a) The elected members shall hold office for at least twenty four months, but in any event until the Synod first following the completion of the said twenty four months. They shall be eligible for re-election.
- (b) Casual vacancies during a term of office shall be filled by resolution of the Diocesan Council.

#### Committees

- 4** (a) The following shall be the standing committees of the Diocesan Board of Trustees:
- (i) the Executive Committee;
  - (ii) the Investment Committee;
  - (iii) the Remuneration Advisory Committee; and
  - (iv) the Property Committee.

- (b) The membership, duties, functions, powers and procedures of the standing committees must be prescribed by resolution of the Diocesan Trustees. The standing committees must, however, keep minutes and their decisions are subject to review and ratification or variation by the Diocesan Trustees.
- (c) The Diocesan Trustees may, by resolution, constitute other committees for particular purposes and such resolution shall specify the terms of reference, constitution, duration and any other matter necessary to ensure that that committee will achieve the objectives for which it is established.
- (d) Any committee of the Diocesan Trustees may consist of persons other than Trustees and may consist of only one person.

#### Immovable Property

- 5** Immovable property belonging to or acquired by any Pastoral Charge shall vest in and be conveyed to the Diocesan Trustees. No Pastoral Charge shall enter into any contract for the purchase, acquisition, sale, lease, or other form of alienation of immovable property without the consent of the Board of Trustees.

#### Other Assets

- 6** The Trustees shall also have direction of the financial affairs of the Diocese and the control of all moneys and other material assets.

#### Meeting of the Trustees, Chairperson and Quorum

- 7** The Diocesan Trustees shall meet from time to time for the transaction of business as circumstances shall require. Written notice of the place, date and time of each meeting shall be given by the Chairperson through the Secretary or other Diocesan officials to each of the Diocesan Trustees, at the time being present in South Africa, at least forty-eight hours before the time of such meeting. The presence of eight Diocesan Trustees shall constitute a quorum. No business shall be transacted at any meeting at the commencement of which a quorum is not present.

#### Powers of Meeting of Trustees

- 8** A meeting of the Diocesan Trustees at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Constitution, Canons, Acts of Synod for the time being vested in, or exercisable by, the Diocesan Trustees generally, and the majority of members present at such meeting shall have the same powers, as if it were the whole body.

### Delegation

- 9** (a) The Diocesan Trustees may, by resolution, delegate a power, competency, function or duty to –
- a committee established under this Act;
  - the Diocesan Secretary or other Diocesan functionary;
  - an Archdeaconry Council;
  - an Archdeaconry Finance and Property Committee.
- (b) Any such delegations must be conveyed in writing, clearly state the capacity delegated and what conditions attach to exercise of the delegation and the requirements as to the reports to be submitted to the Diocesan Trustees reflecting the use of the delegated capacity.
- (c) The granting of a delegation under this Section shall not preclude the Diocesan Trustees from exercising the delegated capacity.

### Minutes

- 10** The Diocesan Trustees shall cause minutes to be duly entered in books provided for the purpose, which minutes shall include
- (a) the names of members present at each meeting; and
  - (b) all resolutions and proceedings of each meeting.

### Trust Moneys

- 11** The Diocesan Board of Trustees is empowered, in its discretion, to receive on trust, and to invest in such manner as it may deem advisable, any moneys –
- (a) belonging to the Diocese requiring investment;
  - (b) required to be invested which may be forwarded to the Diocesan Secretary by Churchwardens and other Church officials, but no liability shall attach to the Board in respect of any loss or damage that may be suffered through such investment.

### Accounts of Diocesan Board of Trustees

- 12** (1) In order to ensure compliance with national tax laws and proper Financial accountability in the Diocese, the Board shall present to every Synod :

- (a) the audited annual financial statements of the Central Fund and the Diocesan Trust Fund in terms of Diocesan Accounting Policies.
  - (b) a consolidated set of annual financial statements in a format which shall be compliant with the tax laws of the Republic of South Africa and which shall include -
    - (i) a summary of the financial statements referred to in sub paragraph 12(1)(a) above;
    - (ii) a consolidation of the financial statements of all parishes and the bodies and institutions referred to in Section 21(a) of this Act;
    - (iii) particulars of the income and expenditure accruing to any delegated trust or bequest; and,
    - (iv) particulars of any other financial activity of whatsoever nature occurring in the Diocese or parish, a parish organisation and/or any organisation or institution functioning within the auspices of the Diocese even if such body is itself registered with the South African Revenue Service.
- (2) The Board shall submit to the Receiver of Revenue by 31<sup>st</sup> March of each year such financial returns as are required from a Public Benefit Organisation in terms of the Income Tax Act No. 58 of 1962, as amended.

#### Annual Estimates: Central Fund

- 13** The Diocesan Board of Trustees shall prepare and submit to the Diocesan Council by not later than 31 October of the current year a statement of the estimated Revenue and Expenditure for the ensuing year.

#### Money Resolutions in Synod

- 14** No Act or Resolution in Synod involving the expenditure of money during the ensuing financial year may be introduced except by a member of Synod authorised by the Diocesan Board of Trustees or Diocesan Council.

#### Diocesan Institution : Balance Sheet

- 15** It is a condition to the payment of every grant-in-aid voted by the Synod that an annual balance sheet of the Diocesan Institution to which the grant is made be presented for the information of Synod.

### Schedule of Assessments

- 16** The Diocesan Board of Trustees shall prepare and place upon the Agenda Paper of the Diocesan Council a Schedule of Assessments for the ensuing year.

### Furlough Additional Expenditure

- 17** Any arrangement in respect to furlough of any Priest in the Diocese which entails or contemplates any additional expenditure by the Diocese or a parish must first receive the concurrence and approval of the Board of Trustees.

### Capital Expenditure

- 18** No Pastoral Charge may incur expenditure of a capital nature involving
- (a) An amount exceeding R50 000 or 5% of the parish annual assessment (whichever is the greater) without the authority of the Board of Trustees.
  - (b) The purchase of motor vehicles without the sanction of the Bishop. The purchase of vehicles shall also be reported to the Diocesan Board of Trustees.

### Banks and Investments

- 19** Any Parish Council or recognised Diocesan Organization shall have the authority to open a banking, investment or savings account, with a registered South African bank, or other financial institution on the authority of a resolution of the Parish Council or the governing body of the relevant Diocesan Organization; any application for overdraft facilities in excess of R5000,00 must, however, have the prior written consent of the Board of Trustees.

### Books of Account

- 20**
- (a) All Pastoral Charges, Parish Organisations and Diocesan Organisations shall keep books of account in a form consistent with Diocesan accounting policies. (Annexure 27, Parish Manual).
  - (b) All payments shall be made by cheque or secure electronic funds transfer authorised by two signatories. Where cheques are used for payment, these are to be crossed and endorsed "Not Transferable" except in the case of petty cash for which cash cheques are to be drawn up to a maximum of R2 000,00 per month.

Where cheques are not used, printed ATM vouchers and/or funds transfer confirmation dockets shall be retained for each transaction together with other supporting documentation.

- (c) All payments and disbursements from any discretionary fund, staff retrenchment and other staff termination payments need to be independently reviewed by the Archdeacon or his/her Commissary.

### Annual Accounts

- 21**
- (a1) The Churchwardens of all Parishes and Chairpersons of Organizations in the Diocese shall submit to the Diocesan Secretary before the last day of March each year, a statement, duly audited or independently reviewed by a person qualified as indicated in Annexure 27 of the Parish Manual, of the accounts of their respective Parishes and District Churches or Organisations.
  - (a2) The Churchwardens must include in the parish accounts the accounts of all organisations and institutions or branches of organisations and institutions (eg. Mothers Union, AWF, etc.) being part of the Anglican Church which function within the life and under the auspices of the parish. Such accounts shall have been made up to the last day of December and shall be submitted to the Diocesan Secretary.
  - (a3) If parishes and organizations do not adhere to the instructions in 21(a1) and 21(a2) above, the Board of Trustees have the right to appoint an Independent Reviewer or Auditor for a particular parish or organization.
  - (b) Other Diocesan Institutions not falling under the Diocesan Public Benefit Organization Number, shall also submit their audited annual financial statements of account to the Diocesan Secretary when requested to do so.
  - (c) The provisions of this Section (Sect 21) are to address the requirements of both the Diocese and the Income Tax Act.

### Central Fund and Assessments

- 22**
- There shall be a Diocesan Fund, styled the "Central Fund", from which shall be paid the stipends of all Licensed Clergy in the Diocese, all grants made from time to time, contributions to the Common Provincial Fund and Provincial Clergy Pensions Fund and all Diocesan charges and disbursements authorised by the Diocesan Council or Synod. Such fund shall be administered by the Board of Trustees.

### Time of Payments

- 23** The stipends of Priests, Deacons and Catechists shall be paid monthly, but other payments shall be made as the Board of Trustees may direct.

### Moneys receivable by the Central Fund

- 24** All assessments, donations, contributions from Pastoral Charges, any grants and all other general income of the Diocese available for and applicable to the payment of stipends, grants and other liabilities of the Diocese, shall be paid into such Central Fund.

### Payment by Cheque

- 25** All payments to the Central Fund shall be by cheque drawn in favour of the Diocese of Natal, crossed and endorsed "Not Transferable", or else by secure electronic funds transfer. Where cheques are not used, indelibly printed funds transfer confirmation dockets shall be retained for each transaction at parish level, with a copy sent by e-mail or fax to the Diocese.

### Assessments

- 26** Each Pastoral Charge shall be assessed at a fixed sum. Such assessment shall be fixed annually by the Board of Trustees and shall include the clergy medical and travel and removal contribution. Such assessment shall continue to be paid during an interregnum.

### Variation of Assessments

- 27** The Board of Trustees shall have power to increase or diminish the assessment fixed from time to time.

### Increase in Assessments

- 28** Whenever it shall be deemed necessary to impose a general increase in the assessment of Pastoral Charges, there shall, with the notice of such increase, be sent a statement showing the causes which render such increases necessary.

### Appeal Against Assessments

- 29** (a) Notice of the amount of the assessment shall be given by the Chairperson of the Board of Trustees to all Pastoral Charges before the 31<sup>st</sup> day of December in each year. The assessment shall commence in each year from the 1<sup>st</sup> day of January.

- (b) Any Pastoral Charge may appeal against the amount at which it is assessed. Any such appeal must be lodged in writing by the Churchwardens with the Chairperson of the Board of Trustees. A full statement of the grounds and reasons for such an appeal, together with any documents upon which the appellants may wish to rely, must accompany the notice of appeal. The Diocesan Board of Trustees shall determine such appeals.

#### Remission of Assessment

- 30** The Board of Trustees is authorised to remit part of, or reduce, the assessment of any Pastoral Charge on cause being shown to its satisfaction.

#### Payment of Assessment

- 31** The amount of assessment shall be paid to the Diocesan Secretary in monthly instalments on or before the fifteenth day of each calendar month. In the event of a Pastoral Charge being unable to comply with the foregoing, the Rector and Churchwardens shall immediately notify the Diocesan Secretary, setting out the reasons. If no satisfactory reasons are notified as above, and the assessment is at least two months in arrears, the Bishop may forthwith authorise an inspection of the books of the Pastoral Charge.