

Purposes and Ways of Borrowing Ordinance, 1943

PREAMBLE.

WHEREAS it is expedient that borrowing by Parishes, Parochial Districts and Home Mission Districts shall be limited and controlled. Be it therefore ordained by the Bishop, Clergy and Laity of the Diocese of Grafton in Synod assembled as follows:—

INTERPRETATION.

1. Except where otherwise indicated the word "Council" shall, for the purpose of this Ordinance, mean, include and refer to Councils of Parishes, Parochial Districts and Home Mission Districts.

CONSENT OF BISHOP-IN-COUNCIL.

2. A Council shall not borrow any money except with the consent of the Bishop-in-Council evidenced by a certificate under the hand of the Bishop and upon the conditions therein specified.

3. Such certificate shall specify:—

- (a) The purpose of the loan.
 - (b) The authorised fund to which such loan shall relate and for which the proceeds of the loan are to be used.
- In the case of current overdrafts:—
- (c) The name of the Bank and Branch thereof.
 - (d) The limit of the overdraft.
 - (e) The amounts and times of the periodical reduction of such limit.

In the case of special loans:—

- (f) The amount of the loan.
- (g) The rate of interest and the times and manner of payment of same.
- (h) The amounts and times and manner of repayment of the principal by instalments.
- (i) The name of the proposed lender.
- (j) The name of the Bank and Branch thereof and the name of the special account to which the proceeds of the loan shall be paid.
- (k) The manner and extent in and to which such account shall be operated upon.

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LIMITS OF BORROWING.

4. The Bishop-in-Council shall not give his consent or issue a certificate for any loan:—

- (a) On current overdraft for a limit exceeding one-tenth of the income of the Council for the last preceding financial year as shown by the accounts furnished in accordance with the Diocesan Funds (Consolidated) Ordinance 1931 as amended from time to time or if such accounts shall not be available or shall be incomplete then as estimated by the Bishop-in-Council.
- (b) On special loan for an amount exceeding the income of the Council from the preceding two financial years as so shown or estimated.
- (c) For any amount which aggregated with all existing loans owing by the Council shall exceed the said two years' income.
- (d) For any loan to replace renew or extend an existing loan where the conditions of such existing loan have not been fully observed and performed.
- (e) For any loan on a total repayment period exceeding ten years.
- (f) For any loan unless application shall have been made for such consent in manner herebefore provided and the provisions of this Ordinance in that respect shall have been fully complied with.

NOTICE AND OBJECTIONS.

5. Where a Council proposes to borrow it shall prepare a notice in legible form containing all the particulars prescribed by Clause 3 of this Ordinance except the name of the proposed lender and a statement informing the Parishioners that they may lodge objection in writing signed by the objector or objectors thereto and shall exhibit such notice by affixing the same at the principal entrance or entrances of every Church in the Parish or District for a period of twenty-one days and attention shall be drawn to such notice by the officiating Priest or Clerk at two services during such period of not less than seven days' interval in every such Church.

APPLICATIONS.

6. Within one month from the expiration of such twenty-one days the Council shall make application to the Bishop-in-Council for consent to such loan and with such application shall forward a copy of the notice and other evidence of compliance with clause 5 of this Ordinance and all objections received in respect of the same.

EXISTING LOANS.

7. Within three months of the passing of this Ordinance every Council shall furnish to the Bishop-in-Council a report showing the amounts of all existing loans owing by such

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Council with particulars of the terms and conditions of the same and the names of the Guarantors if any.

FORMS.

8. The Bishop-in-Council may prescribe forms of notice application and report referred to in clauses 5, 6 and 7 hereof, respectively.

EXCEPTIONS.

9. This Ordinance shall have no application to loans upon mortgage of Church property vested in the Corporate Trustees.

SHORT TITLE.

10. This Ordinance shall be known and cited as the "Purposes and Ways of Borrowing Ordinance 1943" and shall come into operation and take effect from the date of the Bishop's assent.