

THE PRESBYTERIAN METHODIST CONGREGATIONAL FOUNDATION (INC)

Advertisement of Application for Approval of Scheme Under the Charitable Trusts Act 1957

Take notice that on 19 October 2015, **THE PRESBYTERIAN METHODIST CONGREGATIONAL FOUNDATION (INC)** (“Foundation”) filed an application in the High Court at Auckland under CIV-2015-404-2411 for approval of a scheme, under Part 3 of the Charitable Trusts Act 1957, permitting the Foundation to transfer its assets in part to the University of Auckland and in part to the University of Auckland Foundation.

The Foundation operates a fully catered Hall of Residence known as Grafton Hall, catering mainly for first-year students of the University of Auckland. It has become inexpedient for the Foundation to continue operating Grafton Hall.

Accordingly, the scheme proposes:

(a) to transfer to the University of Auckland, on or around 30 November 2015, the Foundation’s sub-leasehold estate and interest in the land and buildings situated at 40 Seafield View Road, Auckland, under lease L7859663.2 recorded in Identifier 431717 (North Auckland Land Registry) together with furniture, fittings and other non-real property contained in the buildings erected on the land and owned by the Foundation (including chattels used for the operation of Grafton Hall, located in the properties referred to in paragraph (b) below, and the Richard Lipp and Sohn Grand Piano referred to in paragraph (c) below) and the operational accounts, debts and other assets of the Foundation’s business of operating a Hall of Residence (including money in accounts or receivables) as at 30 November 2015, the University of Auckland having agreed:

(i) to hold its leasehold estate and interest under Lease 7859663.1 recorded in Identifier 431716 (North Auckland Land Registry) (the sublease and the lease having been merged by the University of Auckland) upon trust for the purpose of owning and operating a Hall of Residence (including erecting and operating a new fully catered Hall of Residence) for men and women students attending the University of Auckland or for members of the teaching or other staff of the University of Auckland or for any other purpose connected with the objects of the University or for the benefit of its students or staff;

(ii) within a visible place in the new Hall, to install the crest of the Foundation, a photograph of the existing Hall, photographs of the past students (presently in the ground floor passage of Grafton Hall) and a plaque which will contain a brief history of Grafton Hall and iwi involvement with the site; and

(iii) for so long as the University of Auckland owns and operates Grafton Hall or replaces it with a fully catered Hall on the site, to ensure that the residents of the Hall are provided access to pastoral care at least equivalent to that provided to residents of other fully catered Halls of Residence which house first-year students and that are owned by or operated for the University of Auckland;

(b) to pay to the University of Auckland Foundation as a Specific Donation (as defined by the Trust Deed establishing the said Foundation dated the 13th day of September 2013) the net proceeds of sale (after repayment of mortgages secured over the said properties and provision for the reserve fund referred to in paragraph (d) below) of the following properties:

- 6R Carlton Gore Road;
- 10-10A Carlton Gore Road;
- 38 Seafield View Road;
- 50 Seafield View Road; and
- 62 Seafield View Road;

which properties are being sold to the University of Auckland, such net proceeds being approximately \$8,400,000.00, and being referred to as the “Presbyterian Methodist Congregational Grafton Scholarship Fund” to be held in trust in perpetuity and to be invested in accordance with the University of Auckland Foundation’s administrative and investment policies with the intent that for the period of 21 years from the date of approval of the scheme, and for such further period thereafter as it may be lawful, the University of Auckland Foundation will provide for the maintenance of the capital value of the Specific Donation and subject to this provision with the available income being applied to provide residential scholarships to undergraduate students to be known as “PMC Grafton Scholars”, being students who wish to study at the University of Auckland but who cannot afford to fund their accommodation and, if requested by the University of Auckland in any year, to assist the University with the funding of specific pastoral care initiatives for students, such residential scholarships to be granted subject to compliance with criteria established from time to time by the University of Auckland Foundation in consultation with the Advisory Committee referred to in paragraph (e) below with preference to be given to students who, by reason of financial and/or socio-economic disadvantage, could not otherwise afford university study with weight also being given to students who by reason of academic excellence or other personal qualities have the capacity to make a difference in their community and in New Zealand generally;

(c) to transfer the Richard Lipp and Sohn Grand Piano currently located in Grafton Hall to the University of Auckland to be stored until a new Hall of Residence is built and then made available in a suitable area of the new Hall for the use of residents of the Hall;

(d) to set aside the sum of \$100,000.00 (or whatever greater sum is necessary to meet the Foundation's liabilities) from the sale proceeds referred to in paragraph (b) above to meet all costs of and incidental to the application for the scheme and its implementation not otherwise provided for including the costs of the Attorney-General in relation to his report, the costs of advertising the scheme and any costs arising consequential upon such advertising together with legal and other professional fees and in meeting the costs of winding up the business of the Foundation and the transfer of its undertaking to the University of Auckland, winding up the Foundation and transferring the balance to the University of Auckland Foundation to be held on the trusts referred to in paragraph (b) above; and

(e) to establish an Advisory Committee to liaise with and assist the University of Auckland and the University of Auckland Foundation in the implementation of the scheme, as appropriate and requested, and to consult with the University of Auckland Foundation regarding the criteria for residential scholarships to be made available to PMC Grafton Scholars from the Presbyterian Methodist Congregational Grafton Scholarship Fund, such Committee to consist of three persons appointed by the Foundation within one month after the approval of the scheme and to hold office for five years from the date of approval of the scheme, after which period it shall be dissolved unless the University of Auckland Foundation requests that it continue in existence and the Advisory Committee agrees.

The application for approval of the scheme is to be heard in the High Court at Auckland on 23 November 2015 at 10.00am.

Any person who wishes to oppose the scheme must give notice in writing not less than seven clear days before the date of the hearing of his or her intention to do so to:

- (a) the Foundation, care of Patterson Hopkins at PO Box 37057, Parnell, Auckland 1151;
- (b) the Registrar of the High Court at Auckland; and
- (c) the Attorney-General, Crown Law Office, PO Box 2858, Wellington 6140.

This notice is given by Patterson Hopkins (William Malcolm Patterson), acting for the applicant.