

Sale of 240 Abbeyfield Road, Sheffield

MC/22/63

Date of meeting	2-4 April 2022
Contact name and details	Joanne Anderton, Conference Officer for Legal and Constitutional Practice lcp@methodistchurch.org.uk
Action required	Decision
Resolutions	63/1. The Council receives the report. 63/2. The Council agrees to share the £5,500 cost of roof repairs at 240 Abbeyfield Road, Pitsmoor, Sheffield, S4 7AZ, equally with the Urban Theology Unit. 63/3. The Council directs that its share of the final net proceeds of sale of 240 Abbeyfield Road be invested in the Connexional Priority Fund.

1. By a transfer dated on or around June 1994, the long leasehold property known as 240 Abbeyfield Road, Pitsmoor, Sheffield S4 7AZ (**the Property**) was transferred to the Trustees for Methodist Church Purposes (**TMCP**) as custodian trustee and held on trust for the charitable purposes of Urban Theology Unit (**UTU**).
2. Part of the purchase price and the costs of purchase of the Property were funded from resources of the Methodist Church (**the Methodist Contribution**) and the balance was provided by funds raised by UTU. The Methodist Contribution was provided on terms that the Property was to be used as a manse for the occupation of a Methodist minister who was at that time appointed to work in a joint capacity for UTU and the Connexional Team.
3. By a Deed of Appointment dated 14 October 2010, TMCP retired as custodian trustee and UTU became the legal and beneficial owner of the Property.
4. By a Declaration of Trust also dated 14 October 2010 it was declared that UTU held the Property on trust and that, if the Property was sold, the Net Sale Proceeds (defined as "*the proceeds of sale of the Property less any solicitors, agents or other costs, commission or disbursements properly and reasonably incurred in connection with any such sale*") would be split 50/50 between UTU and the Methodist Council.
5. The Declaration of Trust also contained a covenant by UTU to sell the Property if the Property ceased to be used or was not reasonably required to be used as a residence for the director or other senior member of staff of UTU.
6. UTU now proposes to sell the Property for a sale price in the region of £170,000. However, UTU has been informed that the prospective purchaser's mortgage funding is conditional upon essential roof repairs being undertaken at the Property, costing £5,500. It is understood that a previous prospective purchaser's mortgage valuation similarly required the roof to be brought up to standard before a mortgage could be granted.
7. The roof repairs must be carried out immediately otherwise the sale will not proceed. UTU has agreed to undertake the work because the Property has been on the market since early 2021 and UTU does not want this sale to fall through.
8. UTU has asked whether the £5,500 cost of the roof repairs can be shared equally between UTU and the Council, even though it might be argued that these repairs do not fall under the definition of 'Net Proceeds of Sale' referred to in paragraph 4 above.

9. The Council is also asked to confirm where its share of the eventual Net Proceeds of Sale should be invested. It is recommended that the Net Proceeds of Sale are invested in the Connexional Priority Fund.

*****RESOLUTIONS**

63/1. The Council receives the report.

63/2. The Council agrees to share the £5,500 cost of roof repairs at 240 Abbeyfield Road, Pitsmoor, Sheffield, S4 7AZ, equally with the Urban Theology Unit.

63/3. The Council directs that its share of the final net proceeds of sale of 240 Abbeyfield Road be invested in the Connexional Priority Fund.