

MINUTES

Public

**Shetland Charitable Trust
Boardroom, 22-24 North Road, Lerwick and remotely via Zoom
Thursday 12 September 2024 at 11.00am**

Present:

E Adamson R Leask
R Leith E Miller
N Risk R Stevenson

Present via Remote Link:

A Ferguson Y Hopkins
B Mouat M Roberts

Apologies:

S Gray J Nicolson

In Attendance (Officers):

A Black, Chief Executive – SCT
E Flaws, Administration Manager - SCT
G Gilfillan, Finance Manager - SCT
L Geddes, Committee Officer – SIC

Also:

I Hambleton, RSM
J Robertson, Media Adviser

Chair:

Mr Leask, Chair of the Trust, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest:

Agenda Item 4 – Capital Works Bridging Loan Scheme

Ms Miller declared an interest as her partner was the main contractor for the Fetlar Community Association project, and advised that she would take no part in any discussion related to this.

Mr Risk declared an interest linked to his employment in relation to Scalloway Community Development Company, and advised he would take no part in any discussion related to this.

Mr Stevenson declared an interest as a voluntary member of South Nesting Boating Club and the Community Development Company of Nesting, and advised he would take no part in any discussion related to this.

Dr Mouat declared an interest as an employee of Shetland UHI.

Mr Adamson declared a work-related and financial interest regarding Hillswick Wildlife Sanctuary and the Fair Isle Bird Observatory Trust, and advised that he would take no part in any discussion related to this.

Agenda Item 11 – Service Performance of Funded Organisations

Ms Miller declared an interest as she had a paid contract with the Swan Trust, for which she had provided information, and advised that she would take no part in any discussion related to this.

Mr Stevenson declared a work-related interest in relation to work being carried out for Shetland Amenity Trust, and advised he would take no part in any discussion related to this.

Mr Risk declared an interest with regard to Scalloway Community Development Company and Voluntary Action Shetland, and advised that he would take no part in any discussion related to these.

Agenda Item 12 – Deeds Executed

Mr Risk declared a work-related interest, and advised he would take no part in the discussion.

Agenda Item 13 – Update from Chairs of Advisory Committees

Mr Risk declared an interest linked to his employment in relation to Sullom Voe Terminal, and advised he would take no part in any discussion related to this.

Mr Stevenson declared a work-related interest in relation to work being carried out at Sullom Voe Terminal, and advised he would take no part in any discussion related to this.

Mr Adamson declared a work-related interest in relation to work being carried out at Sullom Voe Terminal, and advised he would take no part in any discussion related to this.

Minutes:

The minutes of the meeting held on 6 June 2024 were confirmed on the motion of Mr Risk, seconded by Mr Leith.

The Trust considered a report by the Chief Executive (CT240920) presenting the Annual Report and Accounts for the year to 31 March 2024.

The Chief Executive advised that a correction was required in respect of Note 4, whereby the references to the Net Book Value should read 31 March 2024 and 31 March 2023. This would be corrected on the formal accounts for signing.

Ms Hambleton, RSM, then introduced the Annual Accounts to Trustees, outlining the key areas and advising that it had been a successful year. Income had increased, though there had been some volatility on the stock market. There had been an increase in expenses, administration costs, and investment management costs. The net deficit was in line with what was expected, and there had been a small loss on pension adjustment giving a pension liability of £388,000 on the budget sheet. She outlined the position with regard to Shetland Heat Energy and Power and SCT Renewables in the group accounts. She went on to speak about the audit findings and audit risks, advising that no concerns had been raised that would impact on the financial statements.

In response to a query, she advised that it had been noted that the Fair Isle Bird Observatory had requested more time to repay its capital works bridging loan. It was considered that funding would be secured to enable the loan to be repaid, but this was likely to be over an extended period and there remained a risk of non-payment. No adjustments had been made in the accounts for this balance – it would only become material if it had to be written off.

The Chief Executive added that further information was awaited, and she would be reporting on a regular basis to the General Purposes Advisory Committee (GPAC).

It was noted that there were some typographical errors in the Letter of Representation, but that these would be corrected before it was signed.

On the motion of Mr Stevenson, seconded by Mr Risk, Trustees approved the recommendations in the report.

Decision:

Trustees:

- approved the Annual Report and Accounts for the year to 31 March 2024 attached as Appendix A;
- authorised the Chair and the Chair of Audit & Governance Advisory Committee to sign the accounts;
- noted the summary report from RSM UK Audit LLP, the Trust's auditors, attached as Appendix B, and

- authorised the Chair to sign the Letter of Representation reproduced as Appendix C.

24/24

Investment Performance Update – Three Months to 30 June 2024

The Trust noted a report by the Chief Executive (CT2409021) reviewing investment performance for the three months to 30 June 2024.

Decision:

Trustees noted the report.

25/24

Management Accounts – Three Months to 30 June 2024

The Trust noted a report by the Chief Executive (CT2409022) presenting the Management Accounts for the three months to 30 June 2024.

An update was circulated in respect of the disbursements listed on Page 4, as an amendment was required to the 3 Month Actual totals.

In response to a question, the Chief Executive advised that the financial advice and legal fees budgets had been exceeded because of the ongoing work with commercial lawyers and the financial advice from Isio, who had been asked to do more work than anticipated. These budgets may even out by the end of the year.

Decision:

Trustees noted the report.

26/24

Capital Works Bridging Loan Scheme

The Trust noted a report by the Chief Executive (CT2409023) presenting an update of the Capital Works Bridging Loan Scheme.

The Chief Executive advised that there had been further repayments since the report had been prepared, and the amount outstanding was now around £700,000. There had been one new approach from a community hall, and the Trust was in dialogue with the Fair Isle Bird Observatory Trust regarding its loan.

Decision:

Trustees noted the report.

In order to prevent the disclosure of confidential information, Mr Leask moved, Mr Stevenson seconded, and the Trust resolved, in terms of the relevant Regulations, to exclude the public during consideration of the following items of business.

(Trustees online confirmed that there were no other persons present able to hear or record the proceedings)

- 27/24 **External Investment Review**
The Trust considered a report by the Chief Executive.
- The Chief Executive summarised the main terms of the report.
- On the motion of Mr Risk, seconded by Mr Stevenson, Trustees approved the recommendation in the report.
- Decision:**
Trustees approved the recommendation in the report.
- 28/24 **Investment Plan 2025-2030**
The Trust considered a report by the Chief Executive.
- The Chief Executive summarised the main terms of the report.
- On the motion of Mr Risk, seconded by Mr Leith, Trustees approved the recommendation in the report.
- Decision:**
Trustees approved the recommendation in the report.
- 29/24 **Financial Plan 2025-2030**
The Trust considered a report by the Chief Executive.
- The Chief Executive summarised the main terms of the report and responded to questions.
- On the motion of Mr Stevenson, seconded by Ms Miller, Trustees approved the recommendation in the report.
- Decision:**
Trustees approved the recommendation in the report.
- 30/24 **Disbursement Plan 2025-2030**
The Trust considered a report by the Chief Executive.
- On the motion of Mr Stevenson, seconded by Mr Adamson, Trustees approved the recommendation in the report.
- Decision:**
Trustees approved the recommendation in the report.
- 31/24 **Strategic Risk Assessment - Review**
The Trust considered a report by the Chief Executive.
- On the motion of Mr Risk, seconded by Ms Miller, Trustees approved the recommendation in the report.

Decision:

Trustees approved the recommendation in the report.

32/24

Capital Grant Scheme

The Trust considered a report by the Chief Executive.

The Chief Executive summarised the main terms of the report.

On the motion of Mr Leith, seconded by Mr Adamson, Trustees approved the recommendation in the report.

Decision:

Trustees approved the recommendation in the report.

(Ms Hopkins left the meeting during the following discussion)

33/24

Service Performance of Funded Organisations – Year Ending 31 March 2024

The Trust noted a report by the Chief Executive.

Decision:

Trustees noted the report.

34/24

Deeds Executed

The Trust noted a report by the Chief Executive.

Decision:

Trustees noted the report.

35/24

Update from Chairs of Advisory Committees

Trustees noted updates from the Chairs of the Advisory Committees.

36/24

Update from Subsidiary Companies

Trustees noted an update in respect of subsidiary companies.

The meeting concluded at 12.15pm.

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CHAIR