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Our Ref: EM/TA1/1

Date: 19 May 2015

Dear Sir/Madam

You are invited to the following:

**Shetland Charitable Trust
Room 12, Islesburgh Community Centre, Lerwick
Thursday 28 May 2015 at 10.00am**

Apologies for absence should be notified to Lynne Geddes on 01595 744592.

Yours faithfully

(signed) Dr Ann Black
Chief Executive

AGENDA

- (a) Hold circular calling the meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of interest.
- (d) Confirm minutes of meeting held on 26 March 2015 (enclosed).

For Decision

- 1. Financial Plan 2016/17, 2017/18, 2018/19 and 2019/20. Report enclosed.

2. Shetland Recreational Trust – Retention of Surplus Funds. Report enclosed.
3. Shetland Churches Council Trust – Retention of Surplus Funds. Report enclosed.
4. Adoption of New Financial Regulations. Report enclosed.

For Information

5. Management Accounts – 12 Months Ended 31 March 2015. Report enclosed.
6. Trustee Attendance at Meetings in the Year to 31 March 2015. Report enclosed.
7. Payments to Trustees in the Year to 31 March 2015. Report enclosed.
8. Fund Manager Transactions. Report enclosed.
9. Recommended Disbursements – Approvals. Report enclosed.
10. Capital Works Bridging Loan Scheme. Report enclosed.

The following items contain **CONFIDENTIAL** information

For Decision

11. Recruitment of Appointed Trustees. Report enclosed.
12. Revenue Grant Scheme – Amendment to Qualification Criteria. Report enclosed.
13. Planned Maintenance Programme. Report enclosed.
14. Shetland Arts Fund Grant Aid Scheme. Report enclosed.
15. Bus Service for the Elderly and Disabled. Report enclosed.
16. Senior Citizens Grants Scheme. Report enclosed.
17. Budget 2017-2020. Report enclosed.

For Information

18. Shetland Heat Energy and Power Limited. Report enclosed.
19. Loans to Local Industry – Sums Due But Unpaid Over One Month Old as at 30 April 2015. Report enclosed.
20. Loans to Local Industry – Agricultural Loan Update. Report enclosed.
21. Update for Subsidiary Companies. Verbal update.
22. Update from Chairs of Advisory Committees. Verbal update.

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report: CT1505022

Financial Plan 2016/17, 2017/18, 2018/19 and 2019/20

1. Introduction

- 1.1 The purpose of this report is to set out the financial plan of the Trust for the coming 4 year period in order to meet its long term financial strategy.

2. Financial Strategy

- 2.1 "The Trust's long term financial strategy is to use the average investment growth above inflation on the Trust's reserves to support annual expenditure, and so to be able to pass on the reserves preserved against inflation to future generations" (CT0805040). This financial strategy is known as "self sustainable use of reserves" or sometimes simply "self-sustainability".
- 2.2 By aspiring to be self-sustainable, the reserves of the Trust should grow above inflation.

3. Background

- 3.1 The current financial plan was agreed by Trustees in 2011 and covers the financial years 2012/13, 2013/14 and 2014/15. It had been calculated that expenditure should be no more than £11 million per annum in order for the Trust to be self sustainable.
- 3.2 The Trust has been successful in this aim and budgeted expenditure in the final year was circa £10 million.

4. Financial Plan

- 4.1 During the period of the current Financial Plan it became apparent that an expenditure level of £11 million did not allow the Trust to become self sustainable. In addition to its income, the Trust has also had to withdraw funds from the markets in order to meet its expenditure.
- 4.2 As the Trust was not meeting its financial strategy, a review of the expenditure of the Trust was carried out.

- 4.3 It has been calculated that reducing total expenditure to a level of £8.5 million will allow the Trust to be self sustainable.
- 4.4 At their meeting on 11 December 2014, Trustees agreed that "the Trust shall aim to reduce its total expenditure to £8,500,000 by the year ended 31 March 2020. This will be achieved by reducing expenditure by £350,000 per annum" (CT/64/14).
- 4.5 It was felt that reducing the expenditure of the Trust to the required level over 1 year would have a significant impact on the services provided by funded organisations. It is better for the Trust to utilise a small amount of its reserves over the 4 year period and allow organisations to adjust to the new funding.
- 4.6 The financial strategy of the Trust will be considered annually to ensure it is still relevant with a full review in 2019/20.

5. Financial Implications

- 5.1 The total expenditure of the Trust must be reduced to £8.5 million by 31 March 2020.
- 5.2 In order for the Trust to apply the financial plan set out in section three, the Trustees have agreed they will spend an estimated £2,168,039 from the Trust's reserves, excluding capital growth, by 31 March 2020.

6. Conclusion

- 6.1 The Trust requires to reduce its expenditure in order to reach self sustainability.
- 6.2 An expenditure level of £8.5 million is expected to allow the Trust to reach this position.

7. Recommendations

- 7.1 Trustees are asked to approve the financial plan set out above.

Reference: KE/TA1
Date: 1 May 2015

Report Number CT1505022

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report: CT1505023

Shetland Recreational Trust Retention of Surplus Funds

1. Introduction

- 1.1 The purpose of this report is to seek Trustee approval of the retention of funds totalling £134,176 by Shetland Recreational Trust (SRT).
- 1.2 As the amount requested to be retained is over the delegated authority (£10,000) of the Chief Executive it must be considered by Trustees.

2. Background

- 2.1 SRT receives grant funding through the Trusts Revenue Grant Scheme.
- 2.2 As part of the scheme they must sign up to grant conditions which includes a reserves policy. This policy sets out the amount of reserves an organisation can retain before funds must be repaid to the Trust.
- 2.3 As the SRT receives a grant in excess of £500,000 they can retain a reserve of up to £50,000. This is only 1.2% of the budgeted expenditure to 31 March 2015.

3. Present Position

- 3.1 SRT currently holds unrestricted reserves totalling £303,151. This is in excess of the £50,000 allowed by the reserves policy.
- 3.2 It has been identified that, after removing the £50,000 allowed by the reserves policy, £134,176 is repayable to the Trust. This represents 3.2% of the budgeted expenditure of SRT for the year to 31 March 2015.
- 3.3 The remaining unrestricted reserves of £118,975 relate to funding from other organisations which cannot be repaid to the Trust.
- 3.4 This reserve has built up due to the trading activities of SRT, eg bar takings from large events, and SRT have formally requested the retention of these funds.

- 3.5 The funds are currently held in a Facility Enhancement Reserve which was set up to assist in the development and operation of facilities and for any other purpose as determined by the Trustees of SRT.
- 3.6 SRT plan to spend the funds on the following items:
- Purchase of ancillary equipment and start up costs of the proposed new Indoor Training Facility at Lochside, Lerwick. (Estimated to be spent by October 2015)
 - Purchase of new gym equipment for the proposed larger APEX gym facility, as a result of the current APEX gym reaching capacity. (Estimated to be spent by August 2017)
- 3.7 Through these new facilities SRT will be able to generate additional income which should help to reduce their dependency on grant funding in the future.
- 3.8 The proposed projects are subject to financial closure of the new Anderson High School by Shetland Islands Council.

4. Financial Implications

- 4.1 If the surplus is refunded the Trust will have additional funds of £134,176.
- 4.2 If the surplus is retained by SRT, the Trust will have £134,176 less funds available for investment.

5. Conclusion

- 5.1 SRT currently hold unrestricted funds of £134,176 which under the terms of the grant should be repayable to the Trust.
- 5.2 SRT has requested to retain these funds to improve the facilities they have to offer. The proposed facilities will significantly enhance the services SRT can offer, aiding further income generation and reducing grant dependency.

6. Recommendations

- 6.1 It is recommended that Trustees approve the request from SRT to retain funds of £134,176, which is above the permitted level in the reserves policy, for the purposes outlined in paragraph 3.5.

Reference: KE/D3
Date: 18 May 2015

Report Number CT1505023

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report: CT1505024

Shetland Churches Council Trust Retention of Surplus Funds

1. Introduction

- 1.1 The purpose of this report is to seek Trustee approval of the retention of funds totalling £12,738 by Shetland Churches Council Trust (SCCT).
- 1.2 As the amount requested to be retained is over the delegated authority (£10,000) of the Chief Executive, it must be considered by Trustees.

2. Background

- 2.1 SCCT receives grant funding through the Trusts Revenue Grant Scheme.
- 2.2 SCCT use this grant funding to provide grants to local churches to contribute towards repairs. They can also spend up to 10% of the grant to develop and support Christian events and projects.
- 2.3 As part of the scheme they must sign up to grant conditions which includes a reserves policy. This policy sets out the amount of reserves an organisation can retain before funds must be repaid to the Trust.
- 2.4 As SCCT receive a grant of less than £500,000 they can retain a reserve that is equal to 1/12th of their income.

3. Present Position

- 3.1 SCCT has been left with an under spend of £14,618 for the year to 31 March 2015. This surplus was due to SCCT not receiving sufficient grant applications to use the funds.
- 3.2 The reduction in applications was due to the current economic climate in Shetland. There is a high level of demand on the construction industry which has increased prices. Consequently, local churches were unable to receive competitive tenders for work.

- 3.3 The under spend in 2014/15 has left the SCCT with reserves of £16,797. Of this amount, they are entitled to retain £4,059 with the remaining £12,738 repayable to the Trust.
- 3.4 The organisation is currently aware of the following churches waiting to submit a grant application when they can receive a reasonable quote for the works:
- St Margaret's Roman Catholic Church
 - Salvation Army
 - St Magnus Episcopal Church
 - Lerwick Methodist Church
- Information has not been provided on the expected level of grant that will be requested by these churches.
- 3.5 It has also been indicated that the Church of Scotland has various churches that works are required on however they are awaiting completion of the Church of Scotland's 5 year plan.
- 3.6 SCCT believes that the works above, plus others who were already planning works in 2015/16, will result in applications in excess of the 2015/16 grant award. As a result they have requested that they be allowed to retain the surplus of £12,738 for use in the year. As mentioned above, no financial projections have been received to illustrate expected expenditure on projects.
- 3.7 SCCT is willing to repay any unspent funds at the 2015/16 year.
- 3.8 It should be noted that it is not known if the churches will be able to achieve acceptable quotes in the year to 31 March 2016 as the high demand on the construction market is not due to reduce.

4. Financial Implications

- 4.1 If the surplus is refunded the Trust will have additional funds of £12,738.
- 4.2 If the surplus is retained by SCCT, the Trust will have £12,738 less funds available for investment.

5. Conclusion

- 5.1 Due to the high demand on the construction industry in Shetland it has not been possible for local churches to receive reasonable quotes for works they require. This has led to SCCT not receiving sufficient applications to utilise the 2014/15 Trust funding.
- 5.2 They have requested to retain surplus funds totalling £12,738 to provide additional grants in 2015/16 as it is expected there will be a significant increase in applications in the year.
- 5.3 This request is reasonable as the organisation is willing to repay any remaining surplus at 31 March 2016 if the expected demand for funds does not occur.

6. Recommendations

- 6.1 It is recommended that Trustees approve the request from SCCT to retain the funds of £12,738 however should the funds not be spent by 31 March 2016 they must be repaid to the Trust.

Reference: KE/D8
Date: 8 May 2015

Report Number: CT1505024

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report: CT1505025

Adoption of New Financial Regulations

1. Introduction

1.1 This report seeks the adoption of the Trust's Financial Regulations, which have been re-drafted to reflect the new governance arrangements of the Trust.

2. Background

2.1 Trustees agreed on 13 September 2012 to adopt the reorganisation scheme as submitted to OSCR and approved on 3 July 2012. A revised Trust Deed was registered in the Books of Council and Session on 27 September 2012.

3. Present Position

3.1 The Trust's Financial Regulations have been revised substantially to reflect the changes to the Trust and its organisational structure resultant from the reorganisation. The revised Financial Regulations are attached as Appendix A.

4. Financial Implications

4.1 There are no financial implications arising from this report.

5. Recommendations

5.1 Trustees are asked to approve the Financial Regulations attached as Appendix A.

Reference: KE/TA1

Report Number CT1505025

Date: 1 May 2015



Shetland **Charitable Trust**

Financial Regulations

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1. OVERVIEW

1.1 Introduction

- 1.1.1 There are three documents governing the conduct of the Shetland Charitable Trust's (the Trust) business. The Trust Deed sets out what the Trust can do, the Administrative Regulations set out the governance and administrative rules as to how it conducts its business and the Financial Regulations which sets out the rules governing the financial business and transactions of the Trust.
- 1.1.2 These financial Regulations set out a framework for the proper financial administration of the Trust.
- 1.1.3 The Regulations should be supported by detailed financial procedures for each of the topics.
- 1.1.4 The Financial Regulations need to be read and understood by any member of staff who may be involved in the financial processes of the Trust.
- 1.1.5 Only expenditure and income related to the business of the Trust can be administered through the Trust's accounts. No member of staff or Trustee's personal expenditure can be administered through the accounts of the Trust. No expenditure relating to a business interest of a member of staff or Trustee may be administered through the accounts of the Trust.
- 1.1.6 Only members of staff may commit the Trust to any expenditure. If Trustees have a need to commit expenditure, they should do so with the prior agreement of the Chief Executive and follow the guidelines for authorisation set out in these regulations.

1.2 Statutory Framework

- 1.2.1 In accordance with the Charities and Trustee Investment (Scotland) Act 2005, a charity must:
- keep proper accounts;
 - prepare for each financial year of the charity a statement of account, including a report on its activities in the financial year;
 - have the statement of account independently examined or audited;
 - send a copy of the statement of account to the Office of the Scottish Charity Regulator (OSCR); and
 - maintain the relevant financial records for a period of 6 years from the end of the financial year in which they are made.
- 1.2.2 The Chief Executive shall be responsible for ensuring the accounting system delivers accounts in a form that complies with all relevant statutory requirements and deadlines.
- ### **1.3 Responsibilities**
- 1.3.1 Ultimate responsibility for ensuring the proper financial administration of the Trust rests with the Chief Executive, on behalf of the Trustees.

- 1.3.2 The Chief Executive shall be responsible for the administration of the Trust's financial affairs.
- 1.3.3 The Chief Executive shall be responsible to the Trust for proposing regulations and controls to ensure that the proper administration of the finances of the Trust.
- 1.3.4 The Board of Trustees shall provide strategic direction to the Chief Executive on the administration of the Trust's financial affairs, to protect the assets of the Trust and ensure that it operates within its financial means.
- 1.3.5 The Chief Executive shall be responsible for advising Trustees on the impact of changes in financial legislation, regulations and taxation relevant to the affairs of the Trust.
- 1.3.6 The Chief Executive shall be responsible for the provision of financial advice and information to the Board of Trustees to ensure they can fulfil their responsibilities, including an explanation of the financial implication of any decisions.
- 1.3.7 The Chief Executive shall ensure that at all times proper and adequate financial systems exist which deliver the information necessary for effective financial management.
- 1.3.8 The Chief Executive shall ensure that the Board of Trustees is kept informed of the Trust's overall finances through regular reporting of information.

1.4 Separation of Duties

- 1.4.1 The following principles shall be observed in the allocation of accounting duties:
- 1.4.1.1 The duties of providing information regarding sums due to or from the Trust and of calculating, checking and recording these sums, shall be separated as completely as practicably possible from the duties of collecting or disbursing them.
- 1.4.1.2 Staff charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.
- 1.4.1.3 Where these principles cannot be complied with it shall be reported to the Board of Trustees together with steps taken to minimise any risk.
- 1.4.2 No financial sums or other assets shall be written out of the accounts without the approval of the Board of Trustees.

1.5 Review of Financial Regulations

- 1.5.1 This document is intended to be a useful and live document. The Financial Regulations will be reviewed as necessary and at least every two years. Any changes other than procedural items will be put the Board of Trustees for approval.

2 FINANCIAL PLANNING

2.1 Planning Cycle

- 2.1.1 The Trust has long term financial policies, which inform the normal three year budget strategy. These policies are formally reviewed on a three year cycle and updated annually and amended, as appropriate, by the Trustees.
- 2.1.2 The Chief Executive is responsible for the detailed long term financial planning, which draws upon and informs the long term financial policies, through suitable reports to Trustees.

2.2 Budget Preparation

- 2.2.1 Each year the Chief Executive shall prepare a budget of expected income and expenditure for the approval of the Board of Trustees. This budget shall be driven by the financial policies and three year budget strategy of the Trust.
- 2.2.2 The budget shall be prepared in consultation with all officers of the Trust and the Board of Trustees. Consultation is required to ensure that all income and expenditure that can reasonably be foreseen are included in the budget.

Procedure Note: Budget Preparation

3 FINANCIAL MANAGEMENT

3.1 Budget Monitoring and Control

- 3.1.1 It is the responsibility of the Chief Executive to monitor and control overall income and expenditure (including commitments) against the budgets of the Trust.
- 3.1.2 It is the responsibility of each Budget Holder (BH) to monitor income and expenditure (including commitments) against the budgets that they are responsible for. The BH will review expenditure to ensure it is within budget and if not the Chief Executive will be notified before approval of the expenditure.
- 3.1.3 All reasonable effort should be made to ensure that no expenditure is incurred which exceeds an approved budget for any given area.
- 3.1.4 All reasonable efforts should be made to ensure that expenditure is incurred for the purposes, and in the amounts, approved by the Trust.
- 3.1.5 All reasonable efforts should be made to ensure that income is collected at least up to the level of an approved budget for a given area.
- 3.1.6 Where expenditure is unavoidably incurred which exceeds an approved budget then the BH must report, to the Chief Executive, the facts and circumstances at the earliest opportunity with proposals for remedial action to get the budget back into balance.

3.2 Changes to Approved Budgets

- 3.2.1 The term Virement shall be used to describe movements between budgets.
- 3.2.2 All proposed Virements should be notified to the Chief Executive with an explanation why.
- 3.2.3 The Chief Executive shall be able to approve any Virements up to £50,000 within the administration budget. Any in excess of this level shall go to the Board of Trustees for approval.
- 3.2.4 The Chief Executive shall be able to approve any Virements up to £10,000 between grant schemes. Any in excess of this level shall go to the Board of Trustees for approval.

Procedure Note – Virements

3.3 Budget Responsibility and Authority to Spend

- 3.3.1 Approval of a budget is a key control mechanism for the Trust. Without an approved budget by the Board of Trustees, a member of staff can incur no expenditure on a budget area. Committing the Trust to expenditure without prior budget approval may, if significant, result in disciplinary action.
- 3.3.2 For each budget there is a BH. The BH is the responsible for preparation, monitoring and control of that budget. This is usually the person who will be taking the spending decisions on what is needed to for the budget area.

3.3.3 Prior to committing the Trust to the acquisition of goods, works or services the BH must demonstrate that:

- the action is legal and charitable in terms of the Charities and Trustee Investment (Scotland) Act 2005;
- the funded activity is in accordance with the terms of the Trust Deed and solely in the interests of Shetland and its inhabitants (indirect benefit by others is acceptable)
- the budget area contributes directly to the Trust's Strategy, if available;
- the budget area is part of the service agreement or business operating plan for that year, if available;
- any funding conditions can be met;
- there is an approved budget for the cost of acquisition;
- the proposed expenditure secures value for money for the Trust.

3.3.4 Should any BH be unsure as to whether or not their intention to acquire, and/or make a commitment for, goods, works or services complies with the conditions laid out above, they should refer the case to the Chief Executive.

3.4 Treasury and Investment Management

3.4.1 Treasury Management is the responsibility of the Chief Executive. A Service Level Agreement with the Shetland Islands Council's Finance Service is in place for the day to day operational aspect of this work.

3.4.2 The Trust also appoints external Fund Managers to manage invested funds on the Trusts behalf as they see fit. The appointment of a new fund manager must be approved by the Board of Trustees.

3.4.3 The Chief Executive reports twice yearly on the performance of each of the funds.

3.4.4 Cash management is an operational function of the Trust and day to day responsibility lies with the Chief Executive.

3.5 Bad Debts

3.5.1 If a debtor fails to make payment every effort should be made to obtain this payment for the Trust. The Chief Executive shall lodge claims with the appropriate person in relation to sums due to the Trust.

3.5.2 Only once all methods of debt recovery have been exhausted can it be proposed to write off a debt. All write offs must be approved by the Board of Trustees.

4 INTERNAL FINANCIAL ARRANGEMENTS

4.1 Banking Arrangements and Cheques

- 4.1.1 The Chief Executive shall be responsible for issuing instructions in connection with the arrangements for opening all bank accounts in the name of the Trust and for ordering, issuing and safe keeping of cheques for the Trust's main banking account.
- 4.1.2 The Chief Executive shall be responsible for authorising payments from the Trust bank account.
- 4.1.3 All bank accounts shall be reconciled to supporting records at regular monthly intervals.
- 4.1.4 The Trust shall not enter into a loan agreement without the approval of the Board of Trustees.
- 4.1.5 The Trust's overdraft limit shall be approved by the Board of Trustees and shall not be exceeded without the prior agreement of the Board.
- 4.1.6 The Chief Executive shall ensure that the Trust secures the best possible interest rate from any cash held at the bank.

4.2 Control of Income

- 4.2.1 The collection of all money due to the Trust shall be under the supervision of the Chief Executive.
- 4.2.2 Each BH shall furnish the Chief Executive with such particulars in connection with work done, goods supplied or services rendered, and all other amounts due, as may be required to record correctly all sums due to the Trust and to ensure the prompt rendering of accounts for the recovery of income due.
- 4.2.3 All money received by an officer on behalf of the Trust shall without delay be paid to the Trust's bank accounts. No deduction may be made from such income unless specifically directed by the Chief Executive. Each officer who so banks money shall enter on the paying-in slip a reference to the related debt or otherwise indicate the origin of the cheque on the reverse of each cheque.

Procedure note – Cash and Cheque handling

4.3 Cash Imprests and Petty Cash

- 4.3.1 The Chief Executive shall provide such cash imprest advances as considered appropriate for such officers as may need them to meet the requirements of petty cash and other requirements. Reinstatement of the cash imprest balance shall be done to a frequency determined by the Chief Executive.
- 4.3.2 Payments from cash imprests shall be limited to minor items of expenditure and to such other items as the Chief Executive may approve, and shall be supported by a receipt wherever possible.

- 4.3.3 An officer responsible for a cash imprest shall, if and when requested, give the Chief Executive a certificate as to the state of the imprest.
- 4.3.4 On leaving employment of the Trust or otherwise ceasing to be entitled to hold a cash imprest, an officer shall account to the Chief Executive the state of the cash imprest.

Procedure note – Petty cash and cash handling

4.4 Procurement of Goods, Works and Services

- 4.4.1 Purchase Orders for works, goods and services shall be issued for all works, goods or services to be supplied to the Trust except for supplies of public utility services (e.g. telecommunications, electricity, water and drainage), periodical payments, petty cash purchases or other such exceptions approved by the Chief Executive.
- 4.4.2 All purchase orders must be approved by the Chief Executive or someone he/she have authorised to do this.
- 4.4.3 Incurring additional staffing costs, such as travel, accommodation, subsistence, expenses and overtime costs, etc, also require prior written authority, in a form to be determined by the Chief Executive.

Procedure Note – Purchase ordering

4.5 Payment of Accounts

- 4.5.1 Apart from petty cash the normal method of payment of accounts due from the Trust shall be by BACS from the Trusts bank account.
- 4.5.2 The BH issuing orders is responsible for ensuring independent examination, verification and certification of related invoices to ensure appropriate segregation of duties, and similarly for any other payment vouchers or accounts arising in his/her area of responsibility.
- 4.5.3 All purchase invoices received should be matched with the relevant documentation whether this is the Purchase Order or other paperwork.
- 4.5.4 Before certifying and account the BH shall have satisfied him/herself that:
- the work, goods and services to which the account relates have been received, examined and approved;
 - the amounts are correct;
 - appropriate entries have been made in inventories, stores or stock records as required; and
 - the account has not previously been passed for payment and is a proper liability of the Trust.
- 4.5.5 Payment in advance is a risk and should be avoided wherever possible. If all efforts to obtain goods or services by normal methods fail, payment in advance may be authorised by the Chief Executive.

- 4.5.6 The duties of ordering goods, receiving goods, certifying or processing the relative invoices for payment shall be performed by different individuals. Where this is not practicable the Chief Executive shall be informed and their agreement sought to such arrangements deemed appropriate.
- 4.5.7 The Chief Executive shall be responsible for signing applications for issuing of credit cards.
- 4.5.8 The Chief Executive will be responsible for ensuring that proper procedures are in place, and records are kept, to support the use of credit cards including payment of accounts.
- 4.5.9 Purchases made using credit cards should take due account of the purchases procedures.
- 4.5.10 Payments on credit cards shall be on occasions when no other form is acceptable or practical, there are significant savings available and for such other items as the Chief Executive may approve. The payment shall be supported by an appropriate receipt, and shall be subject to the same controls and authorisation procedures as all other purchasing order processes.
- 4.5.11 The card is office based and must not be taken out with the office without authorisation of the Chief Executive. The card must be stored securely in a locked safe and each card may only be used by the registered card holder.
- 4.5.12 On leaving the employment of the Trust or otherwise ceasing to be entitled to hold a credit card, an officer shall return the card immediately to the Chief Executive for cancellation.

Procedure note – Payment of accounts

Procedure note – Credit card transactions

4.6 Tax and VAT management

- 4.6.1 The Chief Executive will be responsible for the taxation procedures of the Trust, ensuring where possible, that tax liabilities and obligations are properly reported and accounted for, avoiding any possible losses.
- 4.6.2 In particular the Chief Executive will be responsible for:
- ensuring that transactions comply with relevant statutory requirement sand authorities;
 - Minimising the Trust's tax liability; and
 - Maximising the Trust's tax flow
- 4.6.3 In carrying out such responsibilities the Chief Executive will:
- define and allocate duties in relation to taxation and tax management;
 - ensure that financial control systems operate effectively, produce the necessary information and minimise the risk of error;

- ensure appropriate guidance is provided to employees involved in processing tax-related transactions;
- ensure assistance is provided for any investigations undertaken by any Government Agency, and justification for assessments made resulting from investigations are properly reviewed;
- implement arrangements to monitor the execution of these responsibilities; and
- report any significant changes in the Trust's tax affairs to the Board of Trustees.

4.6.4 The Chief Executive may appoint external tax specialists.

Procedure note – VAT

4.7 Stocks and stores

4.7.1 The Chief Executive shall be responsible for the care of stocks and stores.

4.7.2 Stocks shall not be in excess of normal requirements except in special circumstances.

4.8 Salaries, Wages and Pensions

4.8.1 The payment of all salaries, wages, pensions, compensation and other emoluments to all employees or former employees of the Trust shall be made by the Chief Executive, under arrangements approved and controlled by him/her.

4.8.2 The Chief Executive shall notify the payroll provider of soon as possible of all matters affecting the payment of such emoluments, in particular:

- appointment, resignations, dismissals, suspensions, secondments and transfers;
- changes in remuneration, other than normal increments and pay awards and agreement of general application;
- information necessary to maintain records of service for pension, income tax, national insurance and the like, including sick leave; and
- any cases where employees have been paid incorrectly.

4.8.3 All such forms and records shall be forwarded to the payroll provider timeously within the deadlines set by him/her. In particular no payment will be made in relation to claims over six months old except with the approval of the Board of Trustees.

4.8.4 The names of staff authorised to certify such records shall be sent to the payroll provider and shall be amended on the occasion of any change.

4.9 Travelling Expenses and Allowances

4.9.1 All claims by staff for payment of car allowances, subsistence allowances, travelling and incidental expenses shall be submitted to the payroll provider, duly certified (by the claimant and countersigned by or on behalf of the Chief Executive), in a form approved by him/her, made up to a specified day of each month, timeously with the deadlines set by him/her. In particular no payment will be made in relation to claims over six months old, except with the express approval of the Board of Trustees.

- 4.9.2 The names of officers authorised to certify such records shall be sent to the payroll provider and shall be amended on the occasion of any change.
- 4.9.3 The certification by or on behalf of the Chief Executive shall be taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred, that the allowances are properly payable by the Trust, and no payment will be made by any other body or person towards such expenses or allowances.
- 4.9.4 The certification of expenses incurred by the Chief Executive shall be undertaken by the Chair of the Board of Trustees or his/her nominee.

4.10 Trustees Expenses

- 4.10.1 Only payments to Trustees who are entitled to claim travelling or other allowances and expenses will be made by the Chief Executive upon receipt of the prescribed form duly completed and certified.

4.11 Financial Document Retention

- 4.11.1 The Trust's document retention policy will provide guidance on the retention of documents.
- 4.11.2 The Chief Executive will be responsible for the correct implementation of this policy in each area of the Trust. Each area of the Trust should assign responsibility for records management to a member of staff of appropriate knowledge to act as records manager in that area.

5. RISK MANAGEMENT AND CONTROL OF RESOURCES

5.1 Property and Security

- 5.1.1 The Chief Executive, or their nominee, shall maintain a register of all land and heritable properties owned or leased by the Trust.
- 5.1.2 The Chief Executive shall have the custody of all title deeds and lease document and shall ensure their security.
- 5.1.3 Inventories shall be maintained covering all owned and leased items of furniture, fittings, vehicles, vessels, plant and machinery.
- 5.1.4 The Trust's property shall not be used other than for the Trust's purposes, except under specific instruction from the Chief Executive.
- 5.1.5 Once the Trust has satisfied itself that it has no further need for an owned asset, it will be disposed of at the maximum value to the Trust.
- 5.1.6 The Chief Executive is responsible for maintaining property security at all times for all buildings, inventories, stocks and stores under their control, including and special security arrangements required.
- 5.1.7 One set of safe keys are to be kept secure on the premises with another secure in the possession of the Chief Executive.
- 5.1.8 The Chief Executive shall be responsible for maintaining the proper security and privacy of all information held, whether by computer or otherwise.

5.2 Prevention and Detection of Fraud and Corruption

- 5.2.1 The Trust will be robust in dealing with any financial malpractice, and can be expected to deal timeously and thoroughly with any person who attempts to defraud the Trust or who engages in corrupt practices.
- 5.2.2 All suspicions of fraud must be reported to the Chief Executive and will be investigated.
- 5.2.3 The Chief Executive will ensure that matters are reported to the Police if there are reasonable grounds for believing that a criminal offence has been committed.
- 5.2.4 The Trust's Disciplinary Procedures will be used where the outcome of the investigation indicates improper behaviour on the part of employees.
- 5.2.5 Where loss has been suffered through fraudulent activity, the Trust will pursue the perpetrator for recovery, including taking appropriate legal action.

5.3 Risk Management and Insurance

- 5.3.1 Risk Management concerns itself with the identification and management of those uncertain future events that could influence the achievement of the Trust's strategic, operational and financial objectives.

- 5.3.2 It will be the responsibility of the Board of Trustees to identify the strategic risks of the Trust whilst the Chief Executive will have responsibility for the operational risks. These risks will be reviewed annually.
- 5.3.3 The Board of Trustees, Chief Executive and all staff will be encouraged to participate in risk reductions processes.
- 5.3.4 The Trust shall ensure that it carries adequate insurance cover for all statutory requirements and reasonable insurable risks.
- 5.3.5 All reportable incidents, accidents and claims, and material facts which may give rise to a claim, must be reported to the Board of Trustees.
- 5.3.6 In line with statutory requirements, the Board of Trustees is responsible for ensuring that it has in place adequate Risk Management arrangements.
- 5.3.7 All Trust employees are expected to adopt the principles of risk management in their daily working practices.

6 EXTERNAL FINANCIAL ARRANGEMENTS

6.1 Awards to Voluntary Organisations

6.1.1 The Chief Executive shall be responsible for ensuring that all awards to voluntary organisations are made in accordance with the Trust's Disbursement Policy. In particular:

- All grants are payable under an approved scheme through delegated authority; or
- All grants are payable following approval in advance by the Trustees.
- All monitoring checks must be completed before grant awards are presented for decision making or paid.
- Service and financial performance is monitored and reported on a regular basis.

6.1.2 The Trust's policy with regard to the retention of unused funds is set out in the Disbursements Policy.

6.2 External Audit

6.2.1 External audit is independent of the Trust and the external auditors shall, with or without previous notice:

- have authority to enter the Trust premises at all reasonable times;
- have access to all Trust files, correspondence, documents and records including computer records;
- require and receive explanations as necessary concerning any matter under examination; and
- require an employee of the Trust to produce cash, stores or any other Trust property under his/her control.

6.2.2 The external audit will be put out to tender at least every 5 years.

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report: CT1505026

Management Accounts – Twelve Months Ended 31 March 2015

1 Introduction and Key Decisions

- 1.1 This report presents the Trust's Management Accounts to the end of March 2015, for noting. These Management Accounts deal with revenue budgets and expenditure.

2 Management Accounts

- 2.1 Table 1 below shows the Summary Budget for the Charitable Trust for 2014/15 and the expenditure in the twelve months to 31 March 2015.

Table 1: Summary Management Accounts 2014/15

| Item | Current Budget £m | Spend to March 15 £m |
|-------------------------------|-------------------------|----------------------------|
| Income | - | 8.4 |
| Charitable Expenditure | | |
| Schemes and Organisations | (7.8) | (7.7) |
| Maintenance/Capital Programme | (1.8) | (1.7) |
| Operating Costs | (0.5) | (0.4) |
| Fund Managers Fees | - | (0.5) |
| Gain on Investments | - | 20.2 |
| Total | (10.1) | 18.3 |

- 2.2 A more detailed analysis of the figures above is set out in Appendix 1.
- 2.3 The total budget for Schemes and Organisations is £7.8 million, of which £7.7 million has been spent to date. Where the running costs of projects are greater than £20,000, grant assistance is paid out in 2 stages - the first payment is made in April and the second is

subject to a review of the organisation's accounts from the previous year.

- 2.4 The Maintenance Funding Programme includes £1.5 million which is paid to the major Trusts in two instalments with 50% of the budget being paid at the beginning of the year on submission of their maintenance -programme for the year. The second instalment was paid in October 2014.
- 2.5 Please note that the professional fees expenditure (Appendix 1 – page 5) is over budget by £16,290 due to the additional costs associated with the COWI report which was approved by Trustees at their meeting on 12 September 2014.

3 Financial Implications

- 3.1 No direct financial implications flow from this information report.

4 Recommendations

- 4.1 Trustees are asked to note the satisfactory financial performance to 31 March 2015, as shown in the Management Accounts in Appendix 1.

Reference: KE/DA5
Date: 18 May 2015

Report No: CT1505026



Shetland **Charitable Trust**

Management Accounts

12 Months Ended 31 March 2015

**Shetland Charitable Trust
Income and Expenditure
Period to 31 March 2015**

| | <u>12 Month Actual £</u> | <u>Annual Budget £</u> | <u>Variance £</u> |
|-------------------------------|----------------------------------|--------------------------------|--------------------------|
| Income | | | |
| Managed fund dividends | 4,668,577 | - | 4,668,577 |
| Agricultural loan interest | 8,208 | - | 8,208 |
| Local equity gift aid | 2,717,918 | - | 2,717,918 |
| Donations | - | - | - |
| Rental income | 1,047,424 | - | 1,047,424 |
| Bank interest | 6,183 | - | 6,183 |
| Miscellaneous income | - | - | - |
| | <u>8,448,310</u> | <u>-</u> | <u>8,448,310</u> |
| Expenditure | | | |
| Agricultural loan expenditure | (1,269) | - | (1,269) |
| Disbursements | (9,421,467) | (9,588,850) | 167,383 |
| Management and administration | (437,347) | (506,860) | 69,513 |
| Fund managers | (497,228) | - | (497,228) |
| | <u>(10,357,311)</u> | <u>(10,095,710)</u> | <u>(261,601)</u> |
| Gain on investments | 20,214,422 | - | 20,214,422 |
| Surplus/(Deficit) | <u>18,305,421</u> | <u>(10,095,710)</u> | <u>28,401,131</u> |

Shetland Charitable Trust
Balance Sheet
Period to 31 March 2015

| | Mar-15 | |
|--------------------------------|------------------|--------------------|
| | £ | £ |
| Tangible fixed assets | | 6,048,647 |
| Investments | | <u>229,933,060</u> |
| | | 235,981,707 |
| Trade debtors | 10,226 | |
| Prepayments and Accrued income | 2,901,613 | |
| Other debtors | 312,902 | |
| Bank | <u>3,495,359</u> | |
| | 6,720,100 | |
| Trade creditors | 106,881 | |
| Accruals and deferred income | 140,828 | |
| Other creditors | <u>15,314</u> | |
| | 263,023 | |
| Net current assets | | <u>6,457,077</u> |
| | | 242,438,784 |
| Pension liability | | (1,795,000) |
| | | <u>240,643,784</u> |
| Opening reserves | | 222,338,363 |
| Surplus for period | | <u>18,305,421</u> |
| Closing reserves | | <u>240,643,784</u> |

Shetland Charitable Trust
Rental Income
Period to 31 March 2015

| | <u>12 Month</u> Actual £ | <u>Annual</u> Budget £ | <u>Variance</u> £ |
|----------------------|--------------------------------|------------------------------|----------------------|
| Sullom Voe Site | 1,026,924 | | 1,026,924 |
| District heating | 20,000 | - | 20,000 |
| Cunnister, Yell | - | - | - |
| Shetland Golf Course | 500 | - | 500 |
| | <u>1,047,424</u> | <u>-</u> | <u>1,047,424</u> |

Shetland Charitable Trust
Disbursements
Period to 31 March 2015

| | 12 Month Actual £ | Annual Budget £ | Variance £ |
|--|-------------------------|-----------------------|------------------|
| Shetland Amenity Trust | 1,052,728 | 1,052,728 | - |
| Shetland Arts Development Agency | 696,038 | 696,038 | - |
| Shetland Recreational Trust | 2,518,550 | 2,518,550 | - |
| <u>Other Charitable Organisations</u> | | | |
| Disability Shetland Recreation Club | 12,641 | 12,641 | - |
| The Swan Trust | 44,650 | 44,650 | - |
| VAS - New Shetlander | 670 | 670 | - |
| Shetland Churches Council Trust | 54,055 | 54,055 | - |
| Shetland Befriending Scheme | 54,418 | 54,418 | - |
| Citizens Advice Bureau | 132,265 | 132,265 | - |
| COPE Limited | 154,967 | 154,967 | - |
| Couple Counselling Shetland | - | - | - |
| Shetland Link Up | 47,994 | 47,994 | - |
| Voluntary Action Shetland | 135,754 | 144,367 | (8,613) |
| VAS - Peer Education Project | - | - | - |
| Festival Grants | 30,000 | 30,000 | - |
| Local Charitable Organisations | 11,552 | 14,000 | (2,448) |
| Royal Voluntary Service | 47,622 | 47,622 | - |
| Sub Total Charitable Organisations | 4,993,904 | 5,004,965 | (11,061) |
| <u>Schemes</u> | | | |
| Community Development Grants | - | - | - |
| Community Support Grants | 52,200 | 54,241 | (2,041) |
| Arts Grant Scheme | 25,158 | 35,000 | (9,842) |
| Senior Citizens Clubs | 12,828 | 20,000 | (7,172) |
| Support to Rural Care Model | 2,491,000 | 2,491,000 | - |
| Social Assistance Grants | - | 5,000 | (5,000) |
| Buses for Elderly and Disabled | 49,980 | 49,980 | - |
| Sub Total Schemes | 2,631,166 | 2,655,221 | (24,055) |
| <u>Direct Schemes</u> | | | |
| Springfield | - | - | - |
| Xmas grant Scheme | 157,382 | 157,000 * | 382 |
| Planned Maintenance | 1,715,710 | 1,771,664 | (55,954) |
| Sub Total Direct Schemes | 1,873,092 | 1,928,664 | (55,572) |
| Surplus Grants Refunded | (76,696) | - | (76,696) |
| Total | 9,421,467 | 9,588,850 | (167,383) |

* These budgets have been modified by subsequent decisions of the Trust

Shetland Charitable Trust
Management and Administration Expenditure
Period to 31 March 2015

| | 12 Month Actual £ | Annual Budget £ | Variance £ |
|-------------------------------------|-------------------------|-----------------------|-----------------|
| Basic Pay and Allowances | 221,749 | 290,000 | (68,251) |
| Professional Membership Fees | 574 | 1,000 | (426) |
| Staff recruitment | - | 5,000 | (5,000) |
| Travel and Subsistence | 5,584 | 7,000 | (1,416) |
| Training and Staff Development | 3,404 | 3,000 | 404 |
| Sub Total Staffing Costs | 231,311 | 306,000 | (74,689) |
| Operating Costs | | | |
| Insurance | 10,335 | 10,000 | 335 |
| Administration | 2,767 | 5,000 | (2,233) |
| Supplies and Services | 7,549 | 7,000 | 549 |
| Bank Charges | 336 | 500 | (164) |
| Professional Fees: Other | 36,290 | 20,000 | 16,290 |
| Miscellaneous Items | 1,352 | 1,000 | 352 |
| External Audit Fees | 21,000 | 25,000 | (4,000) |
| Trustees Expenses | 3,995 | 4,000 | (5) |
| Operational meeting expenses | 635 | 700 | (65) |
| Legal Fees | 48,138 | 50,000 | (1,862) |
| Trustee Recruitment Costs | 2,127 | 2,000 | 127 |
| Sub Total Operating Costs | 134,524 | 125,200 | 9,324 |
| Property Costs | | | |
| Energy Costs | 6,736 | 5,000 | 1,736 |
| Water Rates | (4) | 2,000 | (2,004) |
| Cleaning | 2,220 | 3,500 | (1,280) |
| Sub Total Property Costs | 8,952 | 10,500 | (1,548) |
| Bad debt write off | - | - | - |
| Bought In Services | | | |
| Finance | 38,245 | 38,500 | (255) |
| Committee Services | 12,000 | 12,000 | - |
| Computer Services | 6,480 | 8,000 | (1,520) |
| HR Service | 3,675 | 3,000 | 675 |
| Messenger Service | - | 1,500 | (1,500) |
| Insurance Admin | 2,160 | 2,160 | - |
| Sub Total Bought In Services | 62,560 | 65,160 | (2,600) |
| Total | 437,347 | 506,860 | (69,513) |

Shetland Charitable Trust
Investment expenses
Period to 31 March 2015

| | <u>12 Month</u> Actual £ | <u>Annual</u> Budget £ | <u>Variance</u> £ |
|-------------------------|--------------------------------|------------------------------|----------------------|
| Managed fund misc | 68,441 | - | 68,441 |
| Fund managers fees | 27,043 | | 27,043 |
| Black Rock fees | 132,904 | - | 132,904 |
| WM Company fees | 12,661 | - | 12,661 |
| Northern trust fees | 40,000 | - | 40,000 |
| Insight investment fees | 145,700 | - | 145,700 |
| Schroders fees | 70,479 | - | 70,479 |
| | <u>497,228</u> | <u>-</u> | <u>497,228</u> |

REPORT

TO: Shetland Charitable Trust

28 May 2015

FROM: Chief Executive

Report: Ct1505027

Trustee Attendance at meetings in the year to 31 March 2015

1. Introduction

- 1.1 This report is presented to show Trustee attendance at Trust Meetings in the financial year to 31 March 2015.

2. Background

- 2.1 The Schedule of Governance Arrangements referred to in the 2012 Deed of Trust dated 13th and 14th September 2012 states at paragraph 6(d) "Trustees shall be required to attend in person at least one-half of Trustee meetings in each financial year of the Trust and if they do not such failure to attend may be treated as grounds on which the remaining Trustees may remove such Trustee by a resolution passed by a 75% majority of those attending and voting thereon."

3. Present Position

- 3.1 A table is attached as Appendix 1, showing Trustee attendance at Trustee Meetings in the financial year to 31 March 2015.

4. Recommendation

- 4.1 This report is for noting.

Reference: EM//TA48
Date: 12 May 2015

Report Number CT1505027

Trustee Attendance at Trustee Meetings in the financial year to 31 March 2015

| Name | 3 April 2014 | 29 May 2014 | 26 June 2014 | 11 Sept 2014 | 11 Sept 2014 AGM | 13 Nov 2014 | 11 Dec 2014 | 19 Feb 2015 | 26 Mar 2015 |
|--------------|--------------|-------------|--------------|--------------|---------------------|-------------|-------------|-------------|-------------|
| J Smith | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| C Hughson | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | End of Term | End of Term | End of Term |
| I Napier | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| I Kinniburgh | A | A | A | ✓ | ✓ | ✓ | End of Term | End of Term | End of Term |
| B Hunter | ✓ | ✓ | ✓ | ✓ | ✓ | A | A | ✓ | ✓ |
| S Morgan | A | A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| K Massey | ✓ | ✓ | ✓ | ✓ | ✓ | A | A | ✓ | A |
| B Fullerton | ✓ | ✓ | A | ✓ | ✓ | A | ✓ | ✓ | Resigned |
| M Bell | A | A | A | A | A | ✓ | A | ✓ | ✓ |
| D Ratter | ✓ | ✓ | ✓ | A | A | A | ✓ | ✓ | ✓ |
| J Wills | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| A Manson | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| R Henderson | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| A Duncan | ✓ | ✓ | A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| A Westlake | A | ✓ | A | ✓ | A | A | ✓ | ✓ | A |

✓ = In attendance
 A = Apologies Received

REPORT

To: Shetland Charitable Trust

28 May 2015

From: Chief Executive

Report: CT1505028

Payments to Trustees in the year to 31 March 2015

1. Introduction

1.1 This report is presented to show the payments which have been made to Trustees in the year to 31 March 2015.

2. Background

2.1 Trustees are entitled by law and in terms of their Trust Deed, to "reimburse the Trustees out of the Trust Fund for all expenses reasonably incurred by them in connection with the administration of the Trust".

2.2 At their meeting on 28 May 2009, Trustees requested that the payments made to Trustees are published (Min Ref CT/39/09).

3. Present Position

3.1 A spreadsheet is attached as Appendix 1, showing the expenses which have been paid to Trustees in the year to 31 March 2015, totalling £3962.15

4. Financial Implications

4.1 A budget of £4,000 was set aside for payments to Trustees.

5. Recommendation

5.1 This report is for noting.

Reference: EM/TA21/2
Date: 12 May 2015

Report Number CT1505028

| Name | Position | | Total 14/15 |
|-----------------|-----------------|--|--------------------|
| | | | £ |
| Mr B Hunter | Chair | | 1252.25 |
| Mr J Wills | Vice Chair | | 0 |
| Mr M Bell | | | 0 |
| Mr A Duncan | | | 124.20 |
| Mrs B Fullerton | | | 0 |
| Mr R Henderson | | | 709.10 |
| Mrs C Hughson | | | 0 |
| Mr I Kinniburgh | | | 0 |
| Ms A Manson | | | 0 |
| Mr K Massey | | | 0 |
| Mr S Morgan | | | 0 |
| Mr I Napier | | | 0 |
| Mr D Ratter | | | 1599.40 |
| Mr J Smith | | | 277.20 |
| Ms A Westlake | | | 0 |
| | | | |
| | | | |
| TOTAL | | | 3962.15 |
| | | | |

REPORT

To: Shetland Charitable Trust

28 May 2015

From: Chief Executive

Report: CT1505029

FUND MANAGER TRANSACTIONS

1. Introduction

- 1.1 Shetland Islands Council provides Treasury support to Shetland Charitable Trust under the terms of a Service Level Agreement (SLA).

2. Investment Decisions

- 2.1 Appendix A lists the investment decisions made by Insight Investment Management Limited between 1st February and 31st March 2015.
- 2.2 Appendix B lists the investment decisions made by BlackRock between 1st February and 31st March 2015.
- 2.3 Appendix C lists the investment decisions made by Schroder Investment Management Limited between 1st February and 31st March 2015.
- 2.4 This appendix lists purchases in order of transaction size and sales in order of the size of the gain or loss made on the transaction.
- 2.5 The Fund Managers make investment decisions based on the terms of Investment Management Agreements.

3. Movement on Charitable Trust Funds

- 3.1 The following table shows the movement there has been in the Charitable Trust's funds during the 2014/15 financial year to 31st March 2015:

| 2014/15 | £ million |
|--------------------------|------------------|
| Mkt Value at 1 Apr 2014 | 188.9 |
| Market Movement | 25.0 |
| Injection/(Withdrawal) | (6.7) |
| Mkt Value at 31 Mar 2015 | <u>207.2</u> |

(These are unaudited figures and are for information only.)

4. Recommendation

- 4.1 The Trustees are asked to note this report.

INSIGHT INVESTMENT MGMT REPORT - PURCHASES

| NAME OF SECURITY | DATE | NUMBER OF UNITS | PURCHASE PRICE (£) |
|---|------------|--------------------|-----------------------|
| UNITED KINGDOM | | | |
| UK(GOVT OF) 4.5% BDS 07/09/2034 GBP | 31/03/2015 | 830,000.00 | 1,141,557.10 |
| UK(GOVT OF) 2.25% GILT 07/09/23 GBP | 31/03/2015 | 570,000.00 | 603,481.80 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 23/02/2015 | 429,000.00 | 601,194.53 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 23/02/2015 | 429,000.00 | 600,245.05 |
| ILF GBP LIQUIDITY FD | 05/02/2015 | 560,000.00 | 560,000.00 |
| UK(GOVT OF) 4.75% GILT 7/12/30 GBP0.01 | 31/03/2015 | 390,000.00 | 537,568.20 |
| ILF GBP LIQUIDITY FD | 18/02/2015 | 475,000.00 | 475,000.00 |
| UK(GOVT OF) 4.25% GILT 07/12/2040 GBP | 31/03/2015 | 270,000.00 | 373,788.00 |
| UK(GOVT OF) 2.5% I/L GILT 17/07/24 GBP | 03/02/2015 | 104,000.00 | 363,812.80 |
| UK(GOVT OF) 0.125% IDX LKD GIL 3/44 GBP | 11/02/2015 | 272,000.00 | 361,526.21 |
| UK(GOVT OF) 4.5% STK 07/12/2042 GBP0.01 | 31/03/2015 | 240,000.00 | 349,742.40 |
| UK(GOVT OF) 0.125% IDX LKD 22/03/24 GBP | 02/02/2015 | 295,000.00 | 347,476.12 |
| UNITED KINGDOM(GOVERNMENT OF) 3.5% GILT 22/07/68 GBP0.01 WI | 31/03/2015 | 235,000.00 | 323,150.85 |
| UK(GOVT OF) 2.5% I/L STK 16/04/20 GBP | 27/02/2015 | 84,000.00 | 305,018.28 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 02/03/2015 | 208,000.00 | 290,411.66 |
| UK(GOVT OF) 2.5% I/L GILT 17/07/24 GBP | 06/02/2015 | 73,000.00 | 254,105.70 |
| UK(GOVT OF) 2.5% I/L STK 16/04/20 GBP | 03/03/2015 | 69,000.00 | 249,853.14 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 19/02/2015 | 196,000.00 | 235,841.57 |
| UK(GOVT OF) 4.125% I/L STK 22/07/30 GBP | 13/02/2015 | 69,000.00 | 230,205.39 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 10/02/2015 | 157,000.00 | 222,464.35 |
| UK(GOVT OF) 0.125% IDX LKD GIL 3/44 GBP | 10/02/2015 | 164,000.00 | 219,080.48 |
| UK(GOVT OF) 0.125% IDX LKD GIL 3/44 GBP | 09/02/2015 | 145,000.00 | 195,351.72 |
| UK(GOVT OF) 0.125% IDX LKD GIL 3/44 GBP | 10/02/2015 | 136,000.00 | 181,921.82 |
| ILF GBP LIQUIDITY FD | 27/02/2015 | 160,000.00 | 160,000.00 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 04/02/2015 | 92,000.00 | 145,586.29 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 20/02/2015 | 104,000.00 | 143,979.26 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 05/03/2015 | 101,000.00 | 140,570.11 |
| ILF GBP LIQUIDITY FD | 13/03/2015 | 130,000.00 | 130,000.00 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 24/02/2015 | 67,000.00 | 98,590.37 |
| ILF GBP LIQUIDITY FD | 09/03/2015 | 85,000.00 | 85,000.00 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 04/02/2015 | 54,000.00 | 84,236.58 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 05/03/2015 | 60,000.00 | 83,851.23 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 04/03/2015 | 60,000.00 | 83,738.78 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 12/03/2015 | 58,000.00 | 83,514.56 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 27/02/2015 | 53,000.00 | 74,887.58 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 26/02/2015 | 49,000.00 | 70,468.73 |
| ILF GBP LIQUIDITY FD | 16/03/2015 | 70,000.00 | 70,000.00 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 26/02/2015 | 45,000.00 | 65,042.64 |
| UK(GOVT OF) 2.5% I/L GILT 17/07/24 GBP | 02/02/2015 | 18,000.00 | 63,027.00 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 17/02/2015 | 19,000.00 | 23,075.90 |
| ILF GBP LIQUIDITY FD | 16/02/2015 | 20,000.00 | 20,000.00 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% GILT 22/7/18 | 31/03/2015 | 15,000.00 | 15,228.90 |
| ILF GBP LIQUIDITY FD | 23/03/2015 | 5,000.00 | 5,000.00 |
| ILF GBP LIQUIDITY FD | 02/02/2015 | 1,742.29 | 1,742.24 |
| ILF GBP LIQUIDITY FD | 02/03/2015 | 1,494.97 | 1,494.95 |

TOTAL UNITED KINGDOM

10,671,832.29

INSIGHT INVESTMENT MGMT REPORT - PURCHASES
(CONTINUED)

| NAME OF SECURITY | DATE | NUMBER OF UNITS | PURCHASE PRICE (£) |
|------------------|------|--------------------|-----------------------|
|------------------|------|--------------------|-----------------------|

OVERSEAS

| | | | |
|---|------------|------------|----------------------|
| INSIGHT LDI BROAD OPPORTUNITIES BOND FD | 31/03/2015 | 579,836.20 | 12,000,000.00 |
| INSIGHT GLOBAL II EX UK BOND S GBP ACC | 31/03/2015 | 263,462.96 | 5,000,000.00 |
| TOTAL OVERSEAS | | | <u>17,000,000.00</u> |

INSIGHT INVESTMENT MGMT REPORT – SALES

| NAME OF SECURITY | DATE | NUMBER OF UNITS | SELLING PRICE (£) | PROFIT/ (LOSS) (£) |
|--|------------|--------------------|----------------------|-----------------------|
| UNITED KINGDOM | | | | |
| INSIGHT INV DISCRE UK CRP ALL MAT BD GROSS S | 31/03/2015 | 1,934,424.55 | 3,770,000.00 | 599,532.42 |
| UK(GOVT OF) 0.125% IDX/LKD 03/2058 GBP | 31/03/2015 | 2,078,400.00 | 3,175,963.80 | 256,802.49 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 31/03/2015 | 2,035,489.00 | 2,534,810.89 | 254,798.85 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 31/03/2015 | 285,937.00 | 500,641.49 | 185,508.00 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 23/02/2015 | 312,000.00 | 489,754.03 | 145,896.29 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 23/02/2015 | 312,000.00 | 488,628.24 | 144,770.50 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 31/03/2015 | 629,000.00 | 994,949.98 | 106,225.76 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 02/03/2015 | 151,000.00 | 235,630.16 | 69,211.83 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 10/02/2015 | 114,000.00 | 180,981.11 | 55,340.78 |
| UK(GOVT OF) 0.125% IDX LKD GIL 3/44 GBP | 31/03/2015 | 639,000.00 | 895,659.75 | 41,984.06 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 20/02/2015 | 76,000.00 | 117,638.98 | 33,878.76 |
| UK(GOVT OF) 4.125% I/L STK 22/07/30 GBP | 31/03/2015 | 175,000.00 | 599,480.00 | 31,714.82 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 10/02/2015 | 53,000.00 | 83,840.04 | 25,428.31 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 27/02/2015 | 255,000.00 | 309,664.93 | 24,031.81 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 09/02/2015 | 47,000.00 | 75,579.02 | 23,779.94 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 02/02/2015 | 34,000.00 | 60,755.46 | 23,283.78 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 10/02/2015 | 44,000.00 | 69,693.71 | 21,200.95 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 24/02/2015 | 44,000.00 | 68,838.72 | 20,345.96 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 27/02/2015 | 39,000.00 | 61,769.28 | 18,787.06 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 26/02/2015 | 36,000.00 | 58,221.74 | 18,545.85 |
| UK(GOVT OF) 0.125% I/L GILT 22/3/68 GBP | 26/02/2015 | 33,000.00 | 53,714.96 | 17,345.39 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 03/03/2015 | 211,000.00 | 252,921.69 | 16,574.29 |
| UK(GOVT OF) 0.25% IDX LKD GILT 22/3/52 | 02/02/2015 | 40,000.00 | 64,375.38 | 15,138.50 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 12/03/2015 | 178,000.00 | 213,286.46 | 13,903.34 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 10/02/2015 | 110,000.00 | 134,189.15 | 11,782.27 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 09/02/2015 | 97,000.00 | 118,975.46 | 11,034.85 |
| UK(GOVT OF) 0.125% IDX LKD GILT DUE 22 MAR 2029 GBP0.01 | 10/02/2015 | 91,000.00 | 111,011.03 | 9,747.16 |
| UK(GOVT OF) 2.5% I/L GILT 17/07/24 GBP | 31/03/2015 | 348,000.00 | 1,207,814.04 | 9,106.64 |
| UK(GOVT OF) 2.5% I/L STK 16/04/20 GBP | 31/03/2015 | 153,000.00 | 557,498.34 | 2,626.92 |
| ILF GBP LIQUIDITY FD | 03/02/2015 | 285,000.00 | 285,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 04/02/2015 | 20,000.00 | 20,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 09/02/2015 | 70,000.00 | 70,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 11/02/2015 | 45,000.00 | 45,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 12/02/2015 | 240,000.00 | 240,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 23/02/2015 | 25,000.00 | 25,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 24/02/2015 | 225,000.00 | 225,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 25/02/2015 | 30,000.00 | 30,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 02/03/2015 | 10,000.00 | 10,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 03/03/2015 | 55,000.00 | 55,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 05/03/2015 | 80,000.00 | 80,000.00 | 0.00 |
| ILF GBP LIQUIDITY FD | 06/03/2015 | 225,000.00 | 225,000.00 | 0.00 |
| UK(GOVT OF) 0.125% IDX LKD 22/03/24 GBP | 03/02/2015 | 295,000.00 | 346,572.66 | -903.46 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 17/02/2015 | 85,000.00 | 121,325.18 | -920.35 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 17/02/2015 | 86,000.00 | 122,661.14 | -1,022.57 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 11/02/2015 | 87,000.00 | 124,023.22 | -1,098.67 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 19/02/2015 | 93,000.00 | 132,524.26 | -1,226.73 |
| UK(GOVT OF) 1.25% IDX-LKD 22/11/27 GBP | 04/02/2015 | 150,000.00 | 257,639.19 | -1,321.84 |
| UK(GOVT OF) 1.25% IDX-LKD 22/11/27 GBP | 06/02/2015 | 108,000.00 | 184,868.05 | -1,583.89 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 26/02/2015 | 129,000.00 | 183,775.90 | -1,749.67 |
| UK(GOVT OF) 0.125% IDX LKD GIL 3/44 GBP | 19/02/2015 | 78,000.00 | 102,352.52 | -1,852.02 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 04/02/2015 | 369,000.00 | 527,195.06 | -3,494.35 |
| UK(GOVT OF) 1.25% IDX-LKD 22/11/27 GBP | 13/02/2015 | 147,000.00 | 246,403.67 | -7,378.14 |
| UK(GOVT OF) 1.25% IDX-LKD 22/11/27 GBP | 17/02/2015 | 152,000.00 | 254,287.59 | -8,126.25 |
| UNITED KINGDOM(GOVERNMENT OF) 1.25% IDX/LKD STK 22/11/17 | 31/03/2015 | 1,324,000.00 | 1,882,164.51 | -21,989.37 |
| TOTAL UNITED KINGDOM | | | 23,282,080.79 | 2,155,660.30 |

INSIGHT INVESTMENT MGMT REPORT - SALES

(CONTINUED)

| NAME OF SECURITY | DATE | NUMBER OF UNITS | SELLING PRICE (£) | PROFIT/ (LOSS) (£) |
|--|------------|--------------------|----------------------|-----------------------|
| OVERSEAS | | | | |
| EURO INV BANK IDX LNK 2.4% 22/07/2030 GBP10000 | 31/03/2015 | 50,000.00 | 105,750.00 | 19,878.30 |
| EURO INV BANK IDX/LKD NTS 22/11/2022 GBP | 31/03/2015 | 65,000.00 | 97,599.03 | 10,484.67 |
| EURO INV BANK 1.65% IDX-LKD 26/07/16 GBP | 31/03/2015 | 195,000.00 | 267,735.00 | 2,394.60 |
| TOTAL OVERSEAS | | | <u>471,084.03</u> | <u>32,757.57</u> |

APPENDIX B)

BLACKROCK REPORT - PURCHASES

| NAME OF SECURITY | DATE | NUMBER OF SHARES | PURCHASE PRICE (£) |
|------------------|------|------------------|--------------------|
|------------------|------|------------------|--------------------|

UNITED KINGDOM

| | | | |
|---|------------|-----------|------------------|
| BLACKROCK ADVS(UK) CHARITRAK UK EQTY IDXX INC | 16/03/2015 | 13,257.06 | 13,561.97 |
| TOTAL UNITED KINGDOM | | | <u>13,561.97</u> |

OVERSEAS

NO OVERSEAS INVESTMENTS PURCHASED

| | | | |
|----------------|--|--|-------------|
| TOTAL OVERSEAS | | | <u>0.00</u> |
|----------------|--|--|-------------|

BLACKROCK REPORT - SALES

| NAME OF SECURITY | DATE | NUMBER OF SHARES | SELLING PRICE (£) | PROFIT/ (LOSS) (£) |
|------------------|------|------------------|-------------------|--------------------|
|------------------|------|------------------|-------------------|--------------------|

UNITED KINGDOM

| | | | | |
|---|------------|------------|-------------------|------------------|
| BLACKROCK ADVS(UK) CHARITRAK UK EQTY IDXX INC | 24/03/2015 | 334,910.81 | 355,675.28 | 20,697.97 |
| TOTAL UNITED KINGDOM | | | <u>355,675.28</u> | <u>20,697.97</u> |

OVERSEAS

| | | | | |
|---|------------|------------|---------------------|-------------------|
| BLACKROCK AM (IE) INDEX SELECTION JAPAN IDX | 24/03/2015 | 120,334.36 | 989,121.21 | 374,460.56 |
| BLACKROCK AM (IE) IDX SELECTION EURO EX UK AC | 24/03/2015 | 13,921.31 | 255,203.52 | 90,914.67 |
| TOTAL OVERSEAS | | | <u>1,244,324.73</u> | <u>465,375.23</u> |

APPENDIX C)

SCHRODERS REPORT - PURCHASES

| NAME OF SECURITY | DATE | NUMBER OF SHARES | PURCHASE PRICE (£) |
|---|------------|---------------------|-----------------------|
| UNITED KINGDOM | | | |
| SCHRODER UNIT TST UK REAL ESTATE SREF I INC | 31/03/2015 | 6,091.62 | 250,000.00 |
| MAYFAIR CAP PPTY (MCPUT) | 03/02/2015 | 191.97 | 224,988.84 |
| TOTAL UNITED KINGDOM | | | <u>474,988.84</u> |

OVERSEAS

NO OVERSEAS INVESTMENTS PURCHASED

| | | | |
|----------------|--|--|-------------|
| TOTAL OVERSEAS | | | <u>0.00</u> |
|----------------|--|--|-------------|

SCHRODERS REPORT - SALES

| NAME OF SECURITY | DATE | NUMBER OF SHARES | SELLING PRICE (£) | PROFIT/ (LOSS) (£) |
|--|------------|---------------------|----------------------|-----------------------|
| UNITED KINGDOM | | | | |
| WEST END OF LONDON UNAUTHORISED UNIT TRUST | 18/03/2015 | 633.74 | 464,277.88 | 221,573.13 |
| WEST END OF LONDON UNAUTHORISED UNIT TRUST | 13/03/2015 | 553.20 | 405,274.36 | 193,414.11 |
| TOTAL UNITED KINGDOM | | | <u>869,552.24</u> | <u>414,987.24</u> |

OVERSEAS

NO OVERSEAS INVESTMENTS SOLD

| | | | | |
|----------------|--|--|-------------|-------------|
| TOTAL OVERSEAS | | | <u>0.00</u> | <u>0.00</u> |
|----------------|--|--|-------------|-------------|

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report No: CT1505030

RECOMMENDED DISBURSEMENTS – APPROVALS

1. Background

- 1.1 On 30 March 2000, Trustees approved a report which authorised the then Director of Education and Community Services to act on behalf of the Trust and approve applications for community support grants to organisations operating within Shetland. (Min. Ref. CT19/00)
- 1.2 On 8 February 2006, Trustees approved a report which authorised the then Head of Service – Community Development to act on behalf of the Trust and approve applications for community arts grants to organisations and individuals operating within Shetland. (Min. Ref. CT02/06)
- 1.3 It is a requirement that all approvals are reported to subsequent Trust Meetings.

2. Community Support Grants - £3,561

- 2.1 The following community support grants were approved by the Director of Development Services, in consultation with Shetland Arts, in the period 13 March 2015 to 11 May 2015: -

| Name of Organisation | Grant Approved (£) |
|----------------------------------|--------------------------|
| Tingwall Under Fives | 316 |
| Cunningsburgh Village Club | 2,478 |
| Scalloway Parent & Toddler Group | 767 |

3. Community Arts Grants - £12,205

- 3.1 The following community arts grants were approved by the Director of Development Services, in consultation with Shetland Arts, in the period 13 March 2015 to 11 May 2015: -

| Name of Individual | Grant Approved (£) |
|---------------------------------------|-----------------------------------|
| Ragged Wood Promotions | 1,500 |
| Liz Polson (on behalf of Lara) | 310 |
| Lerwick Brass Band | 1,319 |
| Sarah Munro (on behalf of Kiera) | 397 |
| Paul Whyte (on behalf of Katie) | 380 |
| Sarah Munro (obo Kiera) | 755 |
| Liz Polson (on behalf of Ryan) | 638 |
| Gillian Murphy (on behalf of Claire) | 322 |
| Hazel Spasov (on behalf of Sofie) | 137 |
| Liz Polson (on behalf of Lara) | 516 |
| Valerie Wishart (on behalf of Sophie) | 500 |
| Colin Laurenson (on behalf of Amy) | 373 |
| Shetland Folk Society | 997 |
| Jane Haswell (on behalf of Rhona) | 92 |
| Morag Haswell | 92 |
| Michelle Hawkins (on behalf of Kody) | 92 |
| Kate Tyler | 92 |
| Cindy Clark (on behalf of Imogen) | 92 |
| Isla Bristol | 92 |
| Unst Festival Committee | 3,000 |
| Shetland Needleworkers | 509 |

4. Recommendation

- 4.1 Trustees are asked to note the approvals listed in paragraphs 2.1 and 3.1 above.

Our Ref: MJ/DA1
Date: 11 May 2015

Report Number CT1505030

REPORT

To: Shetland Charitable Trust

Date: 28 May 2015

From: Chief Executive

Report: CT1505031

Capital Works Bridging Loan Scheme

1. Introduction

- 1.1 This report updates Trustees on the Capital Works Bridging Loan Scheme.

2. Background

- 2.1 On 18 March 2010, Trustees agreed to provide short term bridging finance to community organisations undertaking capital projects. The interest free loans are used to alleviate cash flow problems when waiting for funding from EU, Scottish Government, SRDP, LEADER, ERDF and/or lottery grants to come through. (Min. Ref. CT15/10)
- 2.2 Funding for capital projects is only released once work has been completed and invoices paid. This creates an almost insurmountable cashflow burden for most organisations.
- 2.3 A total of £1 million was set as the maximum available at any one time.

3. Present Position

- 3.1 Appendix A lists each bridging loan made to date. Twenty-five organisations have received a bridging loan, seventeen have fully repaid their loans and three have made a part repayment. In total £1,798,594 has been repaid. Some £292,902 remains due to be repaid by eight organisations as they receive their grants.
- 3.2 Feedback on the scheme from organisations has been very positive.

4. Financial Implications

- 4.1 There are no new implications arising from this report. However, it should be noted that the provision of interest free loans means that the capital involved is not generating investment return.

5. Conclusion

5.1 Twenty-five capital projects undertaken by community groups throughout Shetland might not have taken place without the support of the Trust's Scheme.

6. Recommendation

6.1 Trustees are recommended to note this report.

Reference: MJ/D19
Date: 18 May 2015

Report Number: CT1505031

Capital Works Bridging Loan Scheme

CT1505031 – Appendix A

| Project | Bridging Loan £ | Repaid £ | Due to SCT £ | Notes |
|----------------------------------|------------------|------------------|----------------|--|
| Burravoe Pier | 25,650 | 25,650 | | |
| Ollaberry Hall | 110,000 | 110,000 | | |
| Bressay Sports Park | 114,537 | 114,537 | | |
| Scalloway Museum | 345,000 | 345,000 | | |
| Fair Isle Hall | 62,000 | 62,000 | | |
| Sandsayre Pier | 170,000 | 170,000 | | |
| Sandness Hall | 100,000 | 100,000 | | |
| Northmavine Club | 26,640 | 26,640 | | |
| Hillswick Hall | 100,000 | 100,000 | | |
| Fetlar Electric Minibus | 35,600 | 35,600 | | |
| Mareel | 276,505 | 276,505 | | |
| Sumburgh Lighthouse | 120,000 | 120,000 | | |
| Aith Public Hall | 9,900 | 9,900 | | |
| Collafirth Marina | 58,320 | 58,320 | | |
| South Nesting Public Hall | 88,442 | 88,442 | | |
| Aithsvoe Marina | 68,202 | 20,000 | 48,202 | A part repayment of £20,000 has been made. Another part repayment is expected at the end of May/early June. |
| Germatwatt Centre | 10,000 | 10,000 | | |
| Shetland Skatepark Association | 62,179 | 60,000 | 2,179 | Works completed. Part repayment made of £40,000. A further £20,000 has been paid. Remaining balance due to be paid at the end of May. |
| Hoswick Visitor Centre | 46,000 | 46,000 | | |
| Scalloway Boating Club | 49,022 | 0 | 49,022 | Repayment expected once funds received from the final claim – should now be repaid at the end of May |
| Aithsvoe Marina-Loan 2 | 41,867 | 20,000 | 21,867 | A part repayment of £20,000 has been made. Another repayment is expected shortly, once completion certificate has been issued. |
| Scalloway Museum-Loan 2 | 41,041 | 0 | 41,041 | Project delayed with the bad weather, repayment now expected to be made in June 2015. |
| Burravoe Public Hall | 43,000 | 0 | 43,000 | Repayment expected to be made in May |
| Shetland Moving Image Archive | 3,231 | 0 | 3,231 | Repayment originally expected during February 2015 however there have been delays so repayment is now only expected in June 2015. |
| Fetlar Developments Ltd - Loan 2 | 84,360 | 0 | 84,360 | An initial £30,000 was drawn down during January 2015. The remaining available bridging loan of £54,360 was drawn down during March 2015. Repayment is expected in April 2015. |
| TOTAL | 2,091,496 | 1,798,594 | 292,902 | |

