



Shetland Charitable Trust

Registered Charity No: SC027025

MINUTES

Public

Shetland Charitable Trust
Boardroom, 22-24 North Road, Lerwick and remotely via Zoom
Thursday 14 September 2023 at 11.00am

Present:

E Adamson A Ferguson
S Gray R Leask
R Leith E Miller
N Risk M Roberts
R Stevenson

Present via Remote Link:

J Nicolson

Apologies:

Y Hopkins B Mouat

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

Chair:

Mr Leask, Chair of the Trust, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest:

Mr Risk declared an interest with regard to Voluntary Action Shetland in relation to property, and with regard to Shetland Islands Council in relation to Anderson Strathern work.

Mr Stevenson declared an interest in Agenda Item 4 “Capital Works Bridging Loan Scheme Update” due to involvement with Community Development Company of Nesting and South Nesting Boating Club.

Ms Miller declared an interest relating to the Swan Trust, who sub-let office space next to her office.

Minutes:

The minutes of the meeting held on 8 June 2023 were confirmed on the motion of Ms Roberts, seconded by Mr Leith.

The minutes of the meeting held on 8 August 2023 were confirmed on the motion of Ms Gray, seconded by Mr Stevenson.

26/23 **Shetland Charitable Trust Annual Report and Accounts for the year to 31 March 2023**

The Trust considered a report by the Chief Executive (CT2309022) presenting the Annual Report and Accounts.

The Chief Executive advised that there was an amendment to page one of the Accounts, whereby the second paragraph should read “There have been *seven* new high calibre trustees appointed to the trust...”

Ms Hambleton, RSM, then introduced the Annual Accounts to Trustees. She highlighted the key income and expenditure items for the group accounts, advising that income was down on the previous year. Charitable activities were the main item of expenditure, and grants had been higher due to contingency funding and capital grants. She went on to say that the net deficit was slightly higher – this was split between SHEAP trading profit and a small loss on SCT R/VES. The deficit in managed funds was largely due to market conditions, and pension movement had reduced the liability to £307 million. She concluded by outlining the total assets, advising that there was a strong balance sheet with consolidated assets of almost £394 million. There were no major issues to report, and there had been a clean audit report with no conditions to raise.

Responding to a question, she advised that the pension scheme surplus and loss was calculated separately each year. There were some adjustments made but all were reconcilable.

Trustees approved the recommendation in the report on the motion of Ms Gray, seconded by Mr Stevenson.

Decision:

Trustees:

- a) approved the Annual Report and Accounts for the year to 31 March 2023 attached as Appendix A;
- b) authorised the Chair and the Chair of Audit & Governance Advisory Committee to sign the accounts;
- c) authorised the Chair to sign the Letter of Representation reproduced as Appendix C, and

d) noted the summary report from RSM UK Audit LLP, the Trust's auditors, attached as Appendix B.

27/23 **Investment Performance Update – Three Months to 30 June 2023**

The Trust noted a report by the Chief Executive (CT2309023) reviewing the investment performance for the three months to 30 June 2023.

It was noted that the value of the Trust's investments as at 13 September was £396.4 million. This was up on the same period last year.

Decision:

Trustees noted the report.

28/23 **Management Accounts – Three Months to 30 June 2023**

The Trust noted a report by the Chief Executive (CT2309024) presenting the Management Accounts for the three months to 30 June 2023.

It was noted that there was an amendment to the third column on page three of the Accounts, whereby the expenditure variance should read "£92,504", the gain on investments should read "£6,486,040", and the surplus should accordingly read "£7,091,632".

Responding to questions, the Chief Executive explained that the variances highlighted on page four of the accounts were variances to the three-month budget. It was something that was difficult to demonstrate in the accounts for this period as disbursements were usually paid twice-yearly in April and October. Some organisations also received funding six months in advance twice-yearly, whereas others received funding annually.

Decision:

Trustees noted the Trust's financial position at the three months ended 30 June 2023 as shown in the Management Accounts in Appendix A.

29/23 **Capital Works Bridging Loan Scheme**

The Trust noted a report by the Chief Executive (CT2309025) providing an update on the Capital Works Bridging Loan Scheme.

The Chief Executive summarised the main terms of the report and advised that there were no concerns relating to the repayment schedules.

Decision:

Trustees noted the report.

In order to prevent the disclosure of confidential information, Mr Leask moved, Mr Risk 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)

30/23 **Service Performance of Funded Organisations – Year Ending 31 March 2023**

The Trust considered a report by the Chief Executive.

The Chief Executive summarised the main terms of the report and responded to questions from Trustees.

Decision:

Trustees approved the recommendation in the report.

31/23 **Update from Chairs of Advisory Committees**

Trustees noted updates from the Chairs of the Advisory Committees.

32/23 **Update from Subsidiary Companies**

Trustees noted an update in respect of subsidiary companies.

The meeting concluded at 11.45am.

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CHAIR