

Chief Executive: Dr Ann Black

22-24 North Road  
Lerwick  
Shetland  
ZE1 0NQ

Telephone: 01595 744994  
Fax: 01595 744999  
mail@shetlandcharitabletrust.co.uk  
www.shetlandcharitabletrust.co.uk

If calling please ask for  
**Edna Mainland**  
Direct Dial: 01595 744990

Our Ref: EMA/TA1/1

Date: 6 December 2012

Dear Sir/Madam

You are invited to the following:

**Shetland Charitable Trust  
Room 12, Islesburgh Community Centre, Lerwick  
Thursday 13 December 2012 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 meetings held on 15 November 2012 (enclosed).

#### ***For Information***

- 1. Fund Manager Transactions. Report enclosed

2. Recommended Disbursements – Social Care. Report enclosed.
3. Recommended Disbursements - Approvals. Report enclosed.
4. Capital Works Bridging Loan Scheme. Report enclosed.

**The following items contain CONFIDENTIAL information**

***For Decision***

5. Future Governance of Shetland Charitable Trust – Appointment of Trustees. Report enclosed.
6. Governance of Subsidiary Companies – Viking Energy Limited. Report enclosed.

***For Information***

7. Loans to Local Industry – Sums Due But Unpaid Over One Month Old as at 30 November 2012. Report enclosed.
8. Loans to Local Industry – Agricultural Loan Scheme: Update on Loan 1308. Report enclosed.

## REPORT

To: Shetland Charitable Trust

13 December 2012

From: Financial Controller

Report: CT1212061

### 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 during the period from 1st to 31st October 2012.

2.2 Appendix B lists the investment decisions made by BlackRock during the period from 1st to 31st October 2012.

2.3 Appendix C lists the investment decisions made by Schroder Investment Management Limited during the period from 1st to 31st October 2012.

2.4 These appendices list 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 on the Charitable Trust funds for the current financial year, 2012/13, up to 30th November 2012:

	£ million
Mkt Value at 1 Apr 2012	174.1
Market Movement	5.5
Injection/(Withdrawal)	(4.3)
Mkt Value at 30 Nov 2012	<u>175.3</u>

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

#### 4. Recommendation

4.1 The Trustees are asked to note this report.

## APPENDIX A)

## INSIGHT INVESTMENT MGMT REPORT - PURCHASES

NAME OF SECURITY	AREA	DATE	NUMBER OF UNITS	PURCHASE PRICE (£)
	QF = quoted fixed UF = unquoted fixed			
<b>UNITED KINGDOM</b>				
UK(GOVT OF) 4.5% STK 07/12/2042 GBP0.01	QF GB GB	15/10/2012	1,551,000.00	1,984,504.50
INSIGHT INV DISCRE UK CRP ALL MAT BD GROSS S	QF UT GB	15/10/2012	0.00	435,781.58
UK(GOVT OF) 0.25% I/L STK 22/3/52	QF GIL GB	24/10/2012	171,000.00	162,934.82
UK(GOVT OF) 0.75% I/L STK 22/11/2047	QF GIL GB	11/10/2012	112,000.00	152,634.80
UK(GOVT OF) 0.25% I/L STK 22/3/52	QF GIL GB	29/10/2012	145,000.00	141,106.47
UK(GOVT OF) 0.25% I/L STK 22/3/52	QF GIL GB	24/10/2012	144,000.00	137,833.71
UK(GOVT OF) 1.25% I/L STK 22/11/27 GBP	QF GIL GB	23/10/2012	82,000.00	123,770.49
UK(GOVT OF) 1.25% I/L STK 22/11/27 GBP	QF GIL GB	05/10/2012	69,000.00	104,716.10
UK(GOVT OF) 0.25% I/L STK 22/3/52	QF GIL GB	18/10/2012	108,000.00	103,525.17
UK(GOVT OF) 0.25% I/L STK 22/3/52	QF GIL GB	29/10/2012	96,000.00	93,221.80
UK(GOVT OF) 1.125% I/L STK 22/11/37 GBP	QF GIL GB	11/10/2012	63,000.00	93,102.38
ILF GBP LIQUIDITY FD	DEP	10/10/2012	75,000.00	75,000.00
ILF GBP LIQUIDITY FD	DEP	01/10/2012	2,484.50	2,484.67
TOTAL UNITED KINGDOM				<u>3,610,616.49</u>

## OVERSEAS

NO OVERSEAS INVESTMENTS PURCHASED

TOTAL OVERSEAS

0.00

## INSIGHT INVESTMENT MGMT REPORT - SALES

NAME OF SECURITY	AREA	DATE	NUMBER OF UNITS	SELLING PRICE (£)	PROFIT/(LOSS) (£)
	QF = quoted fixed UF = unquoted fixed				
<b>UNITED KINGDOM</b>					
UK(GOVT OF) 4% GILT 22/1/2060 GBP0.01	QF GB GB	15/10/2012	1,281,693.00	1,538,800.62	83,299.11
NATL GRID ELEC TRA I/L STK 8/7/18 GTD GBP(VAR)	QF CIL GB	08/10/2012	43,000.00	71,104.80	18,754.88
UK(GOVT OF) 0.75% I/L STK 22/3/34 GBP	QF GIL GB	11/10/2012	89,000.00	105,336.05	6,458.25
UK(GOVT OF) 0.75% I/L STK 22/3/34 GBP	QF GIL GB	05/10/2012	90,000.00	106,318.33	6,329.55
UK(GOVT OF) 2.5% I/L STK 16/04/20 GBP	QF GIL GB	23/10/2012	12,000.00	44,208.00	2,030.96
MOYLE INTERCONNECT 2.9376% IND LNK 03/33GBP	QF CIL GB	01/10/2012	517.50	698.21	152.19
ILF GBP LIQUIDITY FD	DEP	19/10/2012	5,000.00	5,000.00	-0.00
ILF GBP LIQUIDITY FD	DEP	24/10/2012	5,000.00	5,000.00	-0.00
ILF GBP LIQUIDITY FD	DEP	16/10/2012	20,000.00	20,000.00	-0.00
ILF GBP LIQUIDITY FD	DEP	12/10/2012	35,000.00	35,000.00	-0.00
ILF GBP LIQUIDITY FD	DEP	30/10/2012	40,000.00	40,000.00	-0.00
ILF GBP LIQUIDITY FD	DEP	25/10/2012	50,000.00	50,000.00	-0.00
ILF GBP LIQUIDITY FD	DEP	15/10/2012	430,000.00	430,000.00	-0.04
HOSPITAL CO DARTFO 3.003%-I/L STK 31/10/31 GBP	QF CIL GB	31/10/2012	1,447.27	1,447.27	-32.95
UK(GOVT OF) 1.25% I/L STK 22/11/2032	QF GIL GB	23/10/2012	56,000.00	76,542.39	-2,303.74
UK(GOVT OF) 0.375% I/L STK 22/3/62	QF GIL GB	18/10/2012	43,000.00	45,366.92	-4,037.48
UK(GOVT OF) 0.5% I/L STK 22/3/50 GBP	QF GIL GB	18/10/2012	46,000.00	55,275.07	-4,162.49
UK(GOVT OF) 0.375% I/L STK 22/3/62	QF GIL GB	29/10/2012	72,324.00	77,671.77	-5,424.13
UK(GOVT OF) 0.375% I/L STK 22/3/62	QF GIL GB	11/10/2012	98,000.00	106,279.75	-6,316.33
UK(GOVT OF) 0.375% I/L STK 22/3/62	QF GIL GB	29/10/2012	109,000.00	117,340.37	-7,894.04
UK(GOVT OF) 0.375% I/L STK 22/3/62	QF GIL GB	24/10/2012	109,000.00	114,914.26	-10,320.15
UK(GOVT OF) 0.375% I/L STK 22/3/62	QF GIL GB	24/10/2012	129,000.00	135,229.13	-12,984.07
TOTAL UNITED KINGDOM				<u>3,181,532.94</u>	<u>63,549.50</u>

## OVERSEAS

NO OVERSEAS INVESTMENTS SOLD

TOTAL OVERSEAS

0.000.00

**BLACKROCK REPORT - PURCHASES**

NAME OF SECURITY	AREA QE = quoted equity UE = unquoted equity	DATE	NUMBER OF SHARES	PURCHASE PRICE (£)
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**UNITED KINGDOM**

NO UK INVESTMENTS PURCHASED

TOTAL UNITED KINGDOM				<u>0.00</u>
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**OVERSEAS**

BLACKROCK AM (IE) INDEX SELECTION JAPAN IDX	UE UT IE	23/10/2012	3,319.20	17,421.97
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TOTAL OVERSEAS				<u>17,421.97</u>
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**BLACKROCK REPORT - SALES**

NAME OF SECURITY	AREA QE = quoted equity UE = unquoted equity	DATE	NUMBER OF SHARES	SELLING PRICE (£)	PROFIT/ (LOSS) (£)
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**UNITED KINGDOM**

NO UK INVESTMENTS SOLD

TOTAL UNITED KINGDOM				<u>0.00</u>	<u>0.00</u>
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**OVERSEAS**

NO OVERSEAS INVESTMENTS SOLD

TOTAL OVERSEAS				<u>0.00</u>	<u>0.00</u>
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**SCHRODERS REPORT - PURCHASES**

NAME OF SECURITY	AREA QE = quoted equity UE = unquoted equity	DATE	NUMBER OF SHARES	PURCHASE PRICE (£)
<b>UNITED KINGDOM</b>				
LOTHBURY PROPERTY PROPERTY FUND(GBP)	UP UT GB	16/10/2012	421.00	600,245.55
TOTAL UNITED KINGDOM				<u>600,245.55</u>
<b>OVERSEAS</b>				
NO OVERSEAS INVESTMENTS PURCHASED				
TOTAL OVERSEAS				<u>0.00</u>

**SCHRODERS REPORT - SALES**

NAME OF SECURITY	AREA QE = quoted equity UE = unquoted equity	DATE	NUMBER OF SHARES	SELLING PRICE (£)	PROFIT/ (LOSS) (£)
<b>UNITED KINGDOM</b>					
NO UK INVESTMENTS SOLD					
TOTAL UNITED KINGDOM				<u>0.00</u>	<u>0.00</u>
<b>OVERSEAS</b>					
NO OVERSEAS INVESTMENTS SOLD					
TOTAL OVERSEAS				<u>0.00</u>	<u>0.00</u>

## REPORT

To Shetland Charitable Trust

13 December 2012

From: Chief Executive

Report No. CT1212062

### RECOMMENDED DISBURSEMENTS – SOCIAL CARE

#### 1. Background

- 1.1 This report concerns approvals by the Council's Director of Community Care Services in the period to 16 November 2012, in terms of Report Number CT/030/94, which was approved by the Trustees on 8 April 1994.

#### 2. Social Assistance Grant Scheme - £270.19

- 2.1 The Director of Community Care approved the following:-

	(£)
2 Social Assistance Grant of up to £2,000 (Appendix A)	270.19

- 2.2 The grants would be allocated from the Social Assistance Grant Scheme budget head.

#### 3. Recommendations

- 3.1 Trustees are asked to note the Social Assistance Grants referred to in paragraph 2.1, totalling £270.19

Shetland Charitable Trust  
Date: 28 November 2012  
Ref: EM/DS1

Report No: CT1212062



## Appendix A

### SOCIAL ASSISTANCE GRANT SCHEME at 16 November 2012

Funds available in 2012/2013	£ 35,000.00
Less previously allocated	£ 2,524.53

Less the following: -

<u>Reference</u>	<u>Amount</u>
12/13 11	£204.99
12/13 12	£ 65.20

(2) Approval by Director of Community Care	£ 270.19
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Balance of Funds remaining	£ 32,205.28
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I confirm the above grants have been approved, for the relief of vulnerable persons in need by reason of age, ill health, disability or financial hardship.

Director of Community Care Services  
Agent for the Trustees of Shetland Charitable Trust



## REPORT

To: Shetland Charitable Trust

13 December 2012

From: Chief Executive

Report No. CT1212063

### 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 development and community support grants to organisations operating within Shetland. (Min. Ref. CT/19/00)
- 1.2 It is a requirement that all approvals are reported to subsequent Trust Meetings.

#### 2. Community Support Grants - £22,178

- 2.1 The following community support grants were approved by the Director of Development Services in the period from 26 October 2012 to 27 November 2012:-

<b>Name of Organisation/ Individual</b>	<b>Grant Approved (£)</b>
Gerमतwatt Centre	4,920.00
Livister Youth Centre	9,226.00
1 <sup>st</sup> /2 <sup>nd</sup> Lerwick Sea Scout Group	4,578.00
Shetland Guide Association – Lerwick District	3,454.00

#### 3. Recommendation

- 3.1 Trustees are asked to note the approvals listed in paragraph 2.1 above.

Our Ref: EM/DA1  
Date: 27 November 2012

Report Number CT1212063

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## REPORT

To: Shetland Charitable Trust

Date 13 December 2012

From: Financial Controller

Report: CT1212064

### CAPITAL WORKS BRIDGING LOAN SCHEME

#### 1. Introduction

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

#### 2. The Scheme

- 2.1 Trustees agreed, in the spring of 2010, to make up to £1 million available interest free to alleviate cash flow problems experienced by community organisations when waiting for funding from EU/Scottish Government SRDP/LEADER/ERDF grants to come through.
- 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.

#### 3. Update

- 3.1 Appendix A lists each bridging loan made to date. Eleven organisations have received a bridging loan, seven have fully repaid their loans and one has made a part payment. In total £893,192 has been repaid. £472,740 remains due to be repaid by four organisations as they receive their grants. Feedback on the scheme from organisations has been very positive.
- 3.2 The Bressay Sports Park final grant claim has been processed and the bridging loan for that project was fully repaid on 21 November 2012.

#### 4. Financial Implications

- 4.1 There are no new implications arising from this report. However, it should not be forgotten that the provision of interest free loans does mean that the capital involved is not generating investment return. The lost return to the Trust is potentially about £35,000 pa.

4

**5. Conclusion**

5.1 Eleven capital projects undertaken by community groups throughout Shetland might not have happened without the support of the Trust's scheme.

**6. Recommendation**

6.1 I recommend that Trustees note this report.

Reference: JPG/emDC14  
Date: 26 November 2012

Report Number CT1212064

Shetland Charitable Trust Capital Works Bridging Loan

CT1212064 – Appendix A

PROJECT	BRIDGING LOAN £	REPAID £	DUE TO SCT £	NOTE
Burravoe Pier	25,650	25,650		
Ollaberry Hall	110,000	110,000		
Bressay Sports Park	114,537	114,537		The Bressay Sports Park is open and in use. The final grant payment has been received which enabled the bridging loan to be settled on 21 November 2012
Scalloway Museum	345,000	34,500	310,500	The Scalloway Museum is open and in use. A partial repayment of 10% of the bridging loan has been received with the remainder being repaid hopefully before the end of 2012/13
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	The new Amenity Building at the Northmavine Club is complete and open to the public. The bridging loan is expected to be repaid shortly
Hillswick Hall	100,000		100,000	The Hillswick Hall refurbishment project is underway
Fetlar Electric Minibus	35,600		35,600	The electric minibus is on order and is likely to enter service in early 2013
Mareel	276,505	276,505		
<b>TOTALS</b>	<b>1,365,932</b>	<b>893,192</b>	<b>472,740</b>	

