



MINUTES OF THE MEETING OF THE STRATHERRICK AND FOYERS COMMUNITY TRUST HELD AT STRATHERRICK PUBLIC HALL, GORTHLECK AT 7.00pm ON WEDNESDAY, 6 SEPTEMBER 2017

Present	Peter Faye, Zoe Iliffe, Sharon Ferguson, Ken Sinclair, Frank Ellam, Julie Murphy, Garry Page, Hugh Nicol
Chair	Zoe Iliffe
In Attendance	Steven Watson (Project Co-ordinator), Laura Walker-Knowles (Administrator)
Apologies	Stewart MacPherson

Frank Ellam **declared an interest** in the South Loch Ness Heritage Group. Sharon Ferguson and Garry Page **declared an interest** in Friends of Inverness Royal Academy.

1. INTRODUCTION

The Chair welcomed everyone to the meeting.

The Chair advised the Board that Corriegarth Windfarm had recently been sold by Invenergy to Greencoat UK Wind.

2. PRESENTATION - Sir Frederick Hervey-Bathurst from Clarendon Financial Planning

Sir Frederick thanked the Board for the opportunity to come and make a presentation in relation to the recent performance and future of the Trust's Legacy Funds. Sir Frederick opened by explaining for the benefit of new Directors that the Trust invests in institutional funds, that are not subject to movement costs, keeping charges are as low as possible and Clarendon do not charge the Trust commission.

Sir Frederick ran through the investment report and explained to the Board that risks taken with the Trust funds are very low due to the high duty of care required.

The report showed the geographical distribution and asset allocation. Sir Frederick explained the performance figures relative to risk and explained that Clarendon duplicate the information through two different independent companies. Sir Frederick took the Board through the information in detail, explaining the different analytical views and highlighting that collectively the different analysis provides interesting information.

**Action
by**

Looking to the future it is reasonable to expect Sterling to remain weak against the US Dollar and Sir Frederick did not suggest any changes in investment going forward.

Directors queried the Crown Ratings' report which evaluates the Newton Fund to two stars out of five. Sir Frederick advised the Board that it should be taken account of, but it is one of the foundation funds of the portfolio and at the moment there isn't another investment fund that would be preferable to change it to.

The Board asked Sir Frederick if there should be a reinvestment into a different area such as property. Sir Frederick advised that it would not be an ideal move due to the risks involved and it would be difficult trying to find a fund that is not high risk and rather it would be advisable to do this when the market falls.

Sir Frederick informed the Board that Hedge Funds are included in a small amount of the funds the Trust holds now. They are good for shorting the market.

As this is an extremely long-term investment the Board considered whether it was possible to drip feed some of the funds into a slightly higher risk investment. The monthly contribution could be invested 20% high risk, 80% low risk. The Board discussed the potential impacts of a catastrophe on the Stock Market.

On further consideration of some higher risk investment, it was noted the Trust's Statement of Investment principles can be changed at any time. Sir Frederick recommended he put his thoughts in writing in relation to any possible changes to the portfolio.

The Board queried investment in Unit Trusts rather than Investment Trusts. Sir Frederick advised that Unit Trusts are understandable, the values reflect underlying values with accuracy and are slightly more sophisticated. Long-term Sir Frederick did not disagree with a change to some Investment Trust. The Trust were initially investing steadily but funds could be invested in Investment Trusts, these are higher risk by definition and Sir Frederick did not advise that type of investment now based on any valuation method as nothing is reasonably priced.

It was noted that Clarendon's forecast for the Trust's Legacy Fund last year was for a 10% return and that was achieved.

Sir Frederick welcomed any questions via e mail and will put his thoughts in a letter to the Board.

3. MINUTES – 2 AUGUST 2017

It was noted that the grant figure awarded to Friends of Inverness Royal Academy did not read clearly and should be amended. A minor amendment referring to when Garry Page returned to the meeting was also required.

Subject to the amendments above Garry Page **proposed** and Hugh Nicol **seconded** and the Minutes of the Board meeting held on 2 August 2017 were thereafter **AGREED** as a correct record and **APPROVED** and signed by the Chair.

4. GRANT UPDATE

(a) Foyers Fire Station

Grant applied for £2,000

Purpose: Annual Fireworks Display

The Board **APPROVED** the Grant in the sum of **£2,000** subject to the usual conditions and specifically that any donations collected at the event indicate clearly what the funds are being collected for.

This application was not ready at the last meeting and the Board discussed the importance for applications to be complete going forward. The Chair will write to the Fire Station explaining that future applications must be received with all supporting documentation before they can be considered.

The funds for this grant: **Glendoe**.

Sharon Ferguson and Garry Page left the meeting.

(b) Friends of Inverness Royal Academy

It was noted that this application had been considered last month but that an offer of grant could not be issued as there was still some outgoing funds and documentation required from FIRA's previous grant. The Board noted that these documents had now been received and the offer of grant could therefore be sent to FIRA.

Sharon Ferguson and Garry Page returned to the meeting.

Frank Ellam left the meeting.

(c) South Loch Ness Heritage Group

South Loch Ness Heritage Group was previously awarded £2,388 for the work to the War Memorial. The group have now requested an additional **£645** to finish the work started as their contractor has advised that there was more work required around the War Memorial than had previously been anticipated and therefore additional funds were required. The Board considered the request

and noted that it had been hard for the Heritage Group and the contractor to estimate the cost at the outset.

The Board **APPROVED** the additional sum of **£645**.

The funds for this grant: **Dunmaglass**.

ACTION: The Chair to write to Foyers Fire Station.

ZI

5. FINANCE

(a) Finance Report

Frank Ellam updated the Board on the finance report. Bank deposit interest at the end of the month was £207.80 resulting in a closing balance of £654,919.81.

Community Interest Company

Frank explained to the Board, as had been previously discussed, that he had been investigating the advantages and disadvantages of the Trust creating a subsidiary Community Interest Company. A CIC would enable the Trust to award grants for the local projects it is working on rather than the spend being assets that the Trust would continue to hold on its balance sheet. ✓

The Trust's Articles allow land to be managed as a subsidiary object. The spend on land would not fall under the grant category and A9 Accountancy recommended the Trust using a CIC, enabling the subsidiary company to apply to the Trust for grant funds. The advantages are that the spend would be listed as grant, the CIC only needs one member and would not be subject to corporation tax. The main disadvantages are it would require a hefty amount of administration, which attracts additional cost, the CIC would require two further Directors that are not Directors of the Trust and the Trust's grant system would need to be amended.

The Board discussed the suggestion. It was noted that the two month period for grant applications and awarding grants would not work easily between the two companies. The Project Co-ordinator shared his experience of subsidiary companies and explained the governance was duplicated so the work in running would be.

The Board agreed that it was not the right move for the Trust at the moment.

(b) Annual accounts

Before Frank took the Board through the draft Annual accounts he explained to the Board that the new accounting standard rule FRS 102 stipulates that the market value of investments appear in the balance sheet instead of historic cost. However, further to a meeting with the accountant Heather Young at A9 Accountancy

there is an exemption for micro-entities. Currently the Trust is classified as a small company. To qualify as a micro-entity, the Trust has to be below two of three criteria. One is based on assets in the Balance Sheet and we already exceed this. But the other two are based on income and number of employees and we are below those two criteria so qualify.

For 2016/17 the accounts Frank asked the Board if they were agreed to have them drafted as a micro-entity, reducing the page count from 19 to 5 pages, comprising a list of directors, accountants report, profit and loss, balance sheet (non-uplifted investments) and notes. Frank suggested that management accounts can be offered to community members to provide extra details.

The Board **AGREED** to the format of micro-entity accounts being submitted for last year's accounts and they will be sent to Directors to review prior to the next meeting.

ACTION: Micro-entity accounts to Directors.

Review annual accounts prior to next meeting.

FE

Board

Stronelairg Wind Farm

Following a meeting with SSE the Chair updated the Board that the Stronelairg Wind Farm revenue will total £569,250 to share between the Trust and Fort Augustus Community Company. SSE have advised that they are considering creating a fund that the Trusts would apply to rather than dividing the funds. Both Trusts, not surprisingly, were not in favour of this suggestion. SSE had adopted this regional fund approach in other areas where there were no established trust companies and SSE had created a Panel who looked into distribution of the funds to the wider region.

It was noted that if the Trust did not receive the expected amount of funds from SSE Stronelairg, many of the Trust's and wider community's projects may need to be put on hold or abandoned. It is considered extremely important therefore that the Trust receive the Stronelairg funds. The Trust have been expecting these funds and plans have been made and the community is expecting these projects to be underway.

The Board discussed the possibility of an agreement between communities to decide the split. It was noted that all Stronelairg turbines will be in Stratherrick and the disruption to Fort Augustus is short-term with the traffic compared to the life-span of the turbines in Stratherrick.

It was suggested that the two Trusts therefore approach SSE together and the Chair agreed to contact Fort Augustus' Chair (Harry Whiteside) and arrange a meeting.

The Project Co-ordinator had created a new draft document which could be updated to the new Development Plan showing all the proposed/future projects anticipated for our area once the Stronelairg funds were received. It was agreed that SW would upload this to the secure side of the website for all directors to review and propose any amendments.

*Action: Upload development plan to Director's page of website.
Contact Fort Augustus to arrange meeting.*

SW

- (c) Administrator's expenses £119.96
- (d) Administrator's timesheet 5.6 hours over-time
- (e) Project Co-ordinator's expenses £212.15
- (f) Book-keeping August 2017 £165.00
- (g) HRI Architects, Riverside Field £1,128
- (h) Metal Foundry, hall plaque £78
- (i) A4 Design & Print, newsletter £899.11

The Board **APPROVED** the payment of the invoices (c) to (i) above.

6. MEMBERSHIP APPLICATION

Applicant: **Michael Bloodworth**

The Board **APPROVED** the membership application.

7. AGM

The Board **AGREED** the date of 29 November for the Trust's Annual General Meeting.

The Project Co-ordinator advised that he had been in contact with HIE recently discussing Wildside and that he had been advised by HIE that, because the Trust's Articles provide the Board an opportunity to reject an application for membership, the Trust would not be eligible to apply to the Land Fund. To be eligible the Trust would need to remove Article 22. This would of course require a resolution at the AGM as only members could amend the Trust's Articles.

The Board wondered when this change had come into force as the Trust had of course received funds from SLF for the acquisition of Riverside field and this had not been an issue then. SW advised that the advisor from HIE had suggested she attend a Board meeting to provide some advice to the Board. It was **AGREED** the advisor be invited to the October meeting to give a short presentation. It was also suggested that the Trust contact DTAS to ascertain if they'd been aware of this requirement as DTAS had assisted the Trust when it had amended its Articles previously.

*ACTION: Invite HIE to give presentation to the Board.
Contact DTAS with query re Article 22 and when the rule change came into force.*

SW

The Chair asked if any other Director was interested in standing for the position of Chair she would be available for a discussion of what the position involves.

8. MEMBERSHIP DETAILS UPDATES

The Directors confirmed they had reviewed the current membership register and provided changes to the Administrator.

9. UPDATE REPORTS

(a) Project Co-ordinator

The Board noted the PCO's written update. PCO has recently tidied up noticeboard at the Hall. The Board discussed replacement of the Hall noticeboard and five others in the area.

The Board **AGREED** to the acquisition of six new noticeboards at the cost of £10,624. There may also be some costs for removing the noticeboard at the Hall.

PCO has received an initial request from the Community Council asking if the Trust would be interested in acquiring the public toilets at Foyers as the Highland Council has advised that the Community Council is not allowed to acquire the building as it is not a "qualifying body".

Action: Speak to Council and draft proposal for next Board meeting in relation to acquisition of the public toilets.

SW

Invite HIE to October meeting.

SW

(b) Broadband

The Broadband Team updated the Board. There is a new post up at Wester Drummond to give more height to base station 2. Base station 3 up and running.

Wayleaves are need for the Dunmaglass mast and the Trust are waiting for a document from SSE to sign this over to them. This will take time and there may be other ways to achieve the same result.

The Board discussed the volume of interest and the pace of the rollout. CFWN will be in the area two days next week.

Once the mast is set up the rollout could go to Inverfarigaig straightaway.

The Board noted that apparently Connected Loch Ness has not yet connected any residents.

It was also noted that the Trust has advised CFWN there is an existing mast on a hillside overlooking Whitebridge, although it currently has no power, and the local landowner has said they can assist with providing power.

Apparently, the fibre optic BT box at lower Foyers should be installed this month but this will not benefit Inverfarigaig. The Board noted the situation at Inverfarigaig and scale of interest.

A Director raised the concern of a community resident who had received a quote from CFWN for £965 to install the service. This position is slightly more complicated to the norm. The quotation is itemised but different when compared to the £670 invoice received by that individual Trust Director. The grant subsidy is available up to £350 and the query was therefore why the resident had not received the full £350 subsidy only £270. There is not one level of subsidy for all. The resident in question will speak directly to CFWN but the Broadband Team will also investigate.

Action: Ask CFWN for timescale to get work started at Inverfarigaig. SF

(c) Riverside Team

HRI has today provided a basic design of the access and parking but, due to it having only been received today, the Team have not had opportunity to review it.

Action: Upload drawings to Director's side of website. SW

(d) Apprenticeship Team

The Trust has received an expression of interest.

Action: Follow up apprenticeship enquiry. SF

10. AOCB

Inverfarigaig Residents' Group

It was noted that some of the residents of Inverfarigaig have formed a residents' group/association as they were a little concerned that the Farigaig Steering Group were not taking into account residents' concerns about the Forestry Commission's building and possible future use thereof. The Board noted however that three representatives of the residents' association were now

attending the Steering Groups' meetings so hopefully all viewpoints would be addressed.

Request for Assistance

The Board noted the current situation of the family involved. It was agreed that a proposal for a possible loan facility/new form of grant was being put together by the Chair/Grants Team (as applicable) for a future meeting of the Board.

*Action: Loan proposal to be submitted to Board.
Grants Team to meet in relation to possible new grant.*

*ZI
SF, SW,
FE,
LWK*

Cyber Liability

The Finance Director advised that the Trust had recently been contacted by its insurers to suggest cover for cyber liability. The basic cover is £250 per annum rising to £600 for additional cover. The Trust discussed and, as the Trust does not host the website and only has two employees, the cover was not currently necessary.

Boleskine Community Care

The Board noted that SSEG had advised that they do not wish to sell the land at present as it wishes to retain it for "possible future operations". SSEG also advised that they do not feel able to negotiate a lease at the present time until the existing lease to HIE expires.

The Board noted that, previously, a deal had been structured with HIE to acquire the remaining five years on their lease, however, substantial dilapidations have now been identified to Unit 1 that need to be resolved by the previous tenant before any further progress can be made. However, the acquisition could still continue if the previously discussed price was substantially reduced.

It was also agreed that negotiations would be halted in relation to the acquisition of the HIE lease by the Trust if BCC continue to make direct contact with HIE to discuss a possible lease of Unit 1 as this would prejudice the Trust's own negotiations to acquire HIE's lease.

Action: The Chair to contact BCC to advise that the Trust cannot continue negotiations with HIE unless BCC withdraw from discussions relating to a lease of Unit 1 as previously requested and that the Trust could not support a future application relating to rent without the current dilapidations issue being resolved before any lease is undertaken.

ZI

Community Christmas Event/Social Event

The Board discussed holding a Christmas/winter event for the community. It was noted that a group of ladies had considered applying for funding to hold such an event but this had not been submitted. It was noted that the non-constituted group could apply for funding to enable this to happen.

The Board also discussed a community event to provide training and support to local users who are not experienced in the use of the internet/computer systems, etc.

Dates for Diary

Saturday, 23 September – Loch Ness Marathon.

Friday, 3 November – Possible community-fund raising auction at the Whitebridge Hotel.

Saturday, 4 November – Foyers Fire Crew Fireworks

Sunday, 12 November - Remembrance Service.

11. DATE OF NEXT MEETING

Wednesday, 4 October 2017, venue to be confirmed.

Sharon Ferguson and Ken Sinclair gave apologies for next meeting.

The Meeting closed at 10.50 p.m.

Signed by Chair (ZI) _____

Date _____