

# 236<sup>th</sup> Meeting of the Board of Trustees of Sleat Community Trust

**On:** Monday 16<sup>th</sup> of December 2024

**In:** Board Room

**At:** 18.00pm

## MINUTES

### 1. Attendance, Apologies, and absences:

Ade Stokes AS, Ruud van Ruitenbeek (SCTCL Chair) RvR, Paddy McKay PM (as acting chair), Eilidh Grant EG, Chris Pendlebury CJP, Myrielle Macleod MML (Admin), Garry Noakes GN

Teams: Flora Maclean FM

Apologies : Andy Williamson (SCC) AW

### 2. Accounts Finalisation and Sign Off (Accountants to join via Teams at 6pm)

Andy Cummings (Senior Accountant) joined via Teams at 6pm to discuss the Accounts for 2023-2024 and his observations.

The final documents were sent out and circulated before the meeting.

SCTCL:

Andy mentioned that he noticed the year on year figures show an increase in sales. The gross profit has gone down which is likely due to stock value issues. Even though the profit was down it was still up compared to the 2022 year. Andy suggested that in the Management Accounts the different departments will be split out (such as alcohol, fuel, tobacco etc) and then these can be checked to see if the sales on each department are working as well as they should.

Energy and Insurance Figures are not shown separately as these are being paid via SCT but they are included in the MOU SCTCL pays to SCT. The difference between previous figures is likely due to the switching of energy suppliers and an old debt that had to be paid off.

The profits of the year will have to be paid to SCT before the end of the year.

**Action Point: Pay £19,568 from SCTCL to SCT**

**MML**

Andy highlighted the need for regular stock testing as a critical issue. It was noticed during the previous stock take that checks were only done one way rather than both. This resulted in items listed as stock which were not in the shop physically. A departmental stock take during the year was suggested. The March 2025 stock take should be better as there will be departmental checks done during the winter so the shop will be ready for the main stock take at the end of March.

SRL:

Sales have gone down and the most essential task is to finish the Long-Term Forest Plan.

Andy highlighted Stock issues during the last stock take. There is stock that has been lying for years and has therefore deteriorated. For the next Stock take the SRL board needs to ask themselves what value the remaining logs now have.

The VAT liability which is being repaid has had a reduced payment plan. This was due to a VAT Return Refund that was applied to the liability which changed the monthly repayment. Communication has been sent to HMRC to discuss the issues with added and removed interest.

Andy asked about the lorry purchase and the associated SIS loan and if this was working for the businesses. CJP informed the board that the wood chip business for SRL will be finished with soon and that the board needs to consider reducing the debt and outgoings. For this the idea is to sell the truck and blower however this needs to be discussed at the next SRL board meeting as the last meeting wasn't quorate. All these changes will also mean that the regular MOU payment to SCT will be reduced in the future.

SCT:

The going concern for SCT is the reserves held.

Using the expenditure and removing depreciation, direct costs and the SIS loan the annual running costs come to £308,000. After explaining more about the SCT accounts Andy mentioned that this meant a liquid reserve for the Trust is £116,000. With using £2,500 as monthly running costs this will give the Trust 5 months worth of reserves.

AS confirmed that the income is currently lower than the expenses for the Trust with a monthly deficit. The income is currently made up of the SCTCL MOU, SRL MOU and the garage Rent.

For the accounts AS had made some projections with different scenarios. One included the MOU's from SRL and One excluded the MOU's from SRL but assumed a payment from the harvest and selling of timber.

Due to the challenge caused by the SRL situation the Trust needs a contingency plan and additional means of income in longer term.

No queries were put toward Andy and he left the meeting at 18:33.

For signing the accounts it was agreed that AS and PM are signing for SCT, GN and CJP will sign for SRL and RvR and TP will sign for SCTCL.

### 3. Items for AOB:

- a.) SNG beach clean for approval under umbrella of SCT (AS)
- b.) Room Hire (MML)

### 4. Declarations of Interest:

PM for Sleat Hydro.

MML for shop (supplier).

FM for shop (staff).

### 5. Minutes of last meeting, matters arising:

The minutes were proposed by RvR and seconded by AS. There was nothing to be discussed from the minutes.

## 6. AGM Preparation (AS):

Date has been set for Thursday 23<sup>rd</sup> of January 2025. An invite to the AGM needs to be send out this week due to this having to be done 21 clear days in advance of the AGM date.

As Venue the TDC in SMO was agreed on with a starting time of 7pm.

**Action Point: double check TDC availability and book this** **EG**

**Action Point: discuss technical issues with Archie** **PM**

**Action Point: make up posters and laminate them** **MML**

**Action Point: translate Posters into Gaelic** **EG**

**Action Point: put up links to Reports and Accounts and last year's AGM Minutes on website** **PM, MML**

**Action Point: draft AGM Agenda (use Articles of Association)**

**Action Point: draft email for AGM invitation** **including**

- A.) Links to Reports/Accounts**
- B.) Links to last AGM's Minutes**
- C.) Agenda**
- D.) Gaelic Translation**
- E.) Election of Directors Nomination (how to become board members)**
- F.) If need more information on being board member: contact us**

**Action Point: translate AGM email into Gaelic** **EG**

**Action Point: post AGM email invite to members with invalid email addresses** **MML**

FM announced that she will be retiring from the SCT board at the AGM. RM is also to retire officially at the AGM. DAM will also be taken off the directors list at the AGM.

AS suggested to appoint MML as Company Secretary, a requirement for the AGM. All present agreed.

**Action Point: put MML on to Companies House as Company Secretary** **MML**

For the AGM and board meetings the elected directors need to be quorate. To achieve this it was suggested to nominate both RvR and GN as elected directors. Both agreed to be elected.

A separate AGM Planning Meeting will need to be scheduled for Wednesday 8<sup>th</sup> of January at 3pm. All board members are invited to join the meeting.

## 7. Finance (AS):

A.) Report from the Finance Director: risks and mitigation fro next year

The November Bank Statement reconciled against the cash flow and there were no irregularities. Next month the quarterly tracker for the year end will be presented.

AS discussed, the cash flow projections that were submitted to the Accountants, which included and excluded the SRL MOU. In his projections AS also included a £20,000 reserve for the Trust to hold and a small contingency fund which will last for 3 months running costs.

In the second model of the projections the Trust will have to dip into these reserves, but this will be remedied by a lump sum payment from SRL.

All this shows that the Trust needs to come up with a contingency plan rapidly. One option for this is to sell the open Plot C. The Rural Housing Burden is now not available anymore through mortgage lenders and it is not possible to sell it as an affordable housing plot. The idea is to sell this on the open market instead but give preference to a local buyer or give advance notice to the local community before putting it on the open market.

**Action Point: speak to Community Housing Trust about getting rid of Rural Housing Burden** **MML**

#### 8. SCTCL (Trading) Update (RvR):

RvR confirmed that Trading will pay the money required to SCT to avoid tax. At an informal meeting the following was discussed: SCTCL will pay £19,568 to the Trust. SCT will pay £5,000 back to SCTCL (first tranche of loan given to SRL) and SCT will take on the loan to SRL (remaining £10,000). All present agreed to this.

**Action Point: make payments as discussed** **MML**

The shop had a quote back for the building of the awning which comes to £4,200. This includes labour and materials. The Trading board has approved this quote and will go ahead with the building.

**Action Point: find plans of the shop to check for wires before building awning** **MML**

The turnover is going down just now which was expected. The shop is still in discussion about selling venison. The difficulty is the capacity of the fridges and freezers.

The current fridges and freezers had their maintenance.

FM mentioned that the shop staff doesn't know the Board members and the Board mentioned that this is the same from their side.

**Action Point: Send link to Director information** **RvR**

A name tag for shop staff was suggested.

#### 9. SRL Update (CJP):

CJP informed the board that they have now lost An Crubh for Woodchip supply. This now leaves a shed full of chip but no one to buy. Ideally the remaining chip would be sold by lorry load.

The last SRL board meeting wasn't quorate, so no decisions were made. However, it was suggested during that meeting to sell the truck and blower and clear the debts.

A split of SRL to SRL as local wood fuel business and Tormore Forest Management Group to deal with fences, footpaths etc. was suggested at the last SRL meeting. This will need to be approved by the SCT board once the SRL board has approved this. By having SRL only selling local wood fuel this would mean a reduction in accountancy costs and SRL would not need to be VAT registered or be registered as a ltd. Company. Advice from accountants would be needed on this first.

Grants for the Tormore Management Group would have to go via SCT and the camper van income would go to the TMG. It was also suggested to use some of the money donated from the Sleat Hydro to the Community Benefit Fund for TMG.

All these decisions need to be done at the next SRL meeting in January. SCT would then have to agree to these changes after the SRL meeting.

10. SCT Chair: Strategy, governance, and management (AW):

Carry forward to next meeting.

11. CRF2165: Playpark Report (AW):

Carry forward to next meeting.

12. AOB – from items given in 2 above:

a.) SNG beach clean for approval under umbrella of SCT (AS):

AS asked on behalf of SNG for approval from SCT for the next Beach Clean which is due to be taken place in January at Ostaig. All present approved this.

b.) Room Hire (MML):

MML mentioned that Kirsty is wanting to come back to do massages from February onwards. All present agreed that this is fine.

Due to Kirsty using the spare room on Tuesdays and with MML working from home on Tuesdays this would mean for Elliott (who currently rents a desk) that he could either use the main boardroom or the office, but he would have to lock it. All present were happy for Elliot to use the office but MML needs to find out what to lock away first and where the keys are.

**Action Point: find keys to lock cupboards etc and find out what needs to be locked**

**MML**

**The meeting finished at 19:54 pm. The next meeting is on Monday, 27<sup>th</sup> of January in the Board Room.**