

## **Isle of Gigha Heritage Trust and Subsidiary Companies AGM 2022**

Wednesday 7<sup>th</sup> December at Gigha Village Hall at 7pm

Present from IGHT: Ian Wilson (IW), Fergus Christie (FC), Jane Clements (JC), Liz McCrindle (LM), Jane Millar (JM), Shona Bannatyne (SB)

In attendance: Fiona McGlynn - RA Clement (FM) and approximately 50 members.

### **1. Welcome from the Chair**

IW welcomed everyone to the meeting at 7pm.

### **2. Voting of IGHT Directors**

IW noted that Ian Pinniger, Company Secretary, could not be in attendance, so asked LM to read out the Membership list for the voting. IW clarified that up to 5 votes can be casted. LM proceeded to read out the membership list in alphabetical order. 98 votes including 1 spoilt paper was submitted. There are 119 members which means 82% of members voted.

Tracey Helm, Alexander McNeil, Kane Vipurs and Tim Lister nominated themselves to monitor and count the votes.

### **3. Presentation of the Audited IGHT and Subsidiary Accounts to 31st March 2022**

FM presented the AGM Extract Pack which has been appended to these minutes. The AGM Pack and Accounts are available by request from the Trust office.

#### **GREL**

FM presented GREL first which continued to perform well throughout the 21-22 year and donated £73k to IGHT. The 3 V27 turbines are fully depreciated, and options are being reviewed to replace the dancing ladies.

#### **GGPL**

GGPL had a number of maintenance issues throughout 21-22 year which continued to severely impact turnover and performance for the year. FM reported that a great deal of work has been done to secure compensation from Enercon. Further insurance claims are due and it's plausible that these will be worth over £100k. GGPL normally generates income of £250-300k per year, and hopefully the 22-23 accounts will be able to reflect this. Due to poor trading and capital allowances available, GGPL only made a small taxable profit of £3k and avoided paying corporation tax. There is £158k cash in the bank which is needed to serve its debt to Triodos for building the turbines. GGPL has loan to GREL & IGHT to repay, and GGPL may look to repay or make a donation by end of next financial year providing income levels return to normal.

A member asked to clarify the light and heating costs noted on GGPL's Accounts. IW noted that the turbines use power to start up and to help to keep the blades turning, and power is needed to keep the machine heated.

A member asked about Auditors' remuneration and how it is portioned across the companies. FM said that the cost depends on the complexity of the company and therefore the time spent preparing the accounts for that company. FM also noted that they take into consideration what each company can afford so the overall cost is reasonably split across all 4 companies.

A member asked what GGPL's legal fees refer to. FM said that back in 2018 there was legal fees for the refinancing of the turbine, which was very expensive, and rather than put all of the legal fees in one particular year, it has been spread across a number of years. IW further said that the legal fees of c£102k have all been paid, but it is being released over 10 years.

## GTL

FM reported that towards the end of 2021 the Trust took back on the self-catering units and independently leased this business rather than GTL operating and managing it. The moorings and berth show a return to normal income levels after the pandemic. Mooring costs relate to the commission, maintenance and Crown Estates lease fees. The grant release of £61k is an accounting adjustment which relates to the original capital grant provided for the moorings on construction and the grants are released over the lifetime of the asset. Depreciation charge is also released over the lifetime. GTL has contributed a management charge of £10k and donation of £45k was voted up to IGHT. No further donation will come through in 2022-23 as it deals with new campsite costs. In that year there was a spend of £318k for the campsite but there was funding in the way of grants and the grants will be released in next years accounts as the campsite comes to fruition. GTL has washed its face and made a taxable loss which will be carried forward. There is approx. £50k in cash at the bank and GTL has a Bounce Back Loan and IGHT Marine Loan to repay which it hopes to do when the campsite is up and running and as cashflow allows. The campsite project was delayed but hopefully next year will show better results for GTL.

A member asked where the asset for the self-catering is noted. FM confirmed that the properties sit with the Trust, the cottages were just run by GTL for a period of time. FM further confirmed that the loan for the steading was taken back to the Trust.

A member asked how much the Bounce Back Loan is left to repay. FM confirmed there was £41k left to repay at the year end. This is now down to £36k.

## IGHT

FM reported that donations received from subsidiaries has increased in 21-22 year and GGPL will hopefully make a donation in future. Rental income from all properties has slightly increased due to rent increases and additional rent from the holiday cottages. Achamore Gardens income has uplifted due to the return of visitors and increased grant funding. Highlands and Island's Enterprise continue to provide development resource grants (consultancy/employment). Grants were received for the pathways project; Inspiring Scotland grant for solar panels and E-bikes; KickStart grants for employing young people; Rural Housing Scotland grant for housing feasibility; British Science Association grant for the OGAM project; and sundry smaller grants. Income for the sale of assets include Gallochoille net costs. There was £35k of location fees from STV for the filming of Murder Island. This all means that IGHT received significant money of £1.25 million for the year, which is spent on 4 key areas – maintaining the estates, development, Achamore Gardens and core costs. FM reported that IGHT's interest charges are down from £16k to £8k, which releases additional funds to the Trust. FM said that there is £1.25 million coming in and 800k going out, which appears as a surplus, however £186k was spent on repaying the Trust loans and a further £600k was spent on capital projects. The Trust has shown a significant surplus' over last few years due to its projects, however if you remove non-recurring items then the actual surplus is around £84k for the 21-22 year, £162k of this being donations from the subsidiaries, which highlights the critical role they play in funding the work of the Trust including on-going commitments and debt. The Trust's debt does continue to decrease. FM reported that IGHT's debt levels have decreased from £1.37 million in 2018 to £500k in March 2022. After the year end, there was a further property sold and £193k was repaid to Nationwide in June 2022, further reducing the Trust's debt to approx. £300k. This is split between Nationwide, Triodos, and a Bounce Back Loan.

A member asked if there is a strong enough reserve policy in place to replace the turbines and if GREL & GPPL both have reserve accounts. IW said GGPL's cash position means it is just £50k short of paying back the Triodos loan fully. Once the compensation from the insurance comes in there will be surplus in the bank account to pay off the debt and Triodos may permit GGPL to use cash funds for

other projects. GGPL has a reserve account which covers 3 months operating costs. GREL has a reserve account of £75k which is built up with payments of £1k per month.

A member asked if there is a plan to replace the turbines by GREL. IW said that this has been publicised, the GREL board are looking at replacement turbines which is currently in the feasibility stage and requires further consultation.

A member asked who is on the GREL & GGPL boards. IW said that no nominations for GREL & GGPL were received, but Adam Murphy and Tim Lister joined more recently with Ian Wilson, Ian Pinniger and Fergus Christie remaining on the boards.

FM thanked the board, members, employees and volunteers for their continued support and work. FM confirmed that she and RA Clement are retiring as Auditors after a long relationship with Gigha.

#### **4. Chair update on IGHT and Subsidiary Companies' activities**

IW presented an update against the 2022 Board Action Plan. A copy of the Board Paper is appended to these minutes.

1. Debt reduction – now down to c£300k and is releasing additional funds to IGHT.
2. GTL Campsite – now in operation and looking forward to a full season in 2023.
3. Housing – full funding is now in place and the construction is starting in the new year with the hopes of being completed by mid-2024.
4. Activity Centre – solar panels have gone up in price due to the high energy costs, therefore solar panels have only been installed at the campsite so far. Solar panels at the Activity Centre are something that can be reviewed again in future when funds allow.
5. Gateway to Gigha – path works are heading into the third and final phase. The biggest challenge is waiting for the grant claims coming in. Almost £250k has been submitted in grant claims and not released yet, therefore impacting on IGHT's cashflow.
6. Achamore Gardens – restoration work continues, and everyone is seeing great improvements.
7. GGPL – is waiting on insurance coming in which will have multiple claims. GGPL has secured a good price for its Power Purchase Agreement so should generate good income this year.
8. GREL – ROCs are due to expire so the board is looking into a replacement project. The future risk is getting an electricity buyer in this current climate.
9. Woodland Management plan - is at the early stages but that will bring a lot of community involvement over the next year.
10. Low Carbon initiatives – Net Zero Group has formed and the board hope to continue working with the group to identify opportunities for the island.
11. EV charging point - is now in place at the campsite and will be available for public use.
12. Visit Gigha marketing – online platforms have been set up through a ScotGrad Marketing placement.
13. Community Fund - £5k allocation from GREL has never been reached but it is close to it this year, and it's great to see a variety of projects coming forward.
14. Policies and Risk Assessments – something that is ongoing and continually reviewed.
15. Training – there has been many opportunities for staff and community members recently and hopefully more to come including board training.
16. Core costs – always something that has to be reviewed and the board try their best to review monthly budgets.

#### **17. Outcome of Election**

LM read out the result of the vote:

Jacqueline Cochrane – 49 votes

Jon Grunseth – 56 votes

John MacDonald – 50 votes

Viv Oliver – 61 votes  
Tony Philpin – 35 votes  
Graham White – 58 votes  
Ian Wilson – 52 votes

This means that Viv, Graham, Jon G, Ian and John M have been elected to the IGHT Board.

#### **18. Approval of Members Meeting minutes**

Members meeting minutes were previously circulated to all members and amendments were requested to be submitted prior to the office.

3<sup>rd</sup> March 2022 – Anne Shaw proposed, and Kane Vipurs seconded.

12<sup>th</sup> May 2022 – Kane Vipurs proposed, and Andi Steininger seconded.

1<sup>st</sup> September 2022 – Adam Murphy proposed, and Anne Shaw seconded.

#### **19. Vote of Thanks and Close of Meeting**

IW thanked FM and all employees for their work over the last year. IW said that it is great to have a full board in place and hopes that the island will continue to prosper.

A member thanked the current board and wished the new directors well.

Close of meeting: 8.15pm