

JOHN MUIR TRUST: TRUSTEES' MEETING

Minutes of Meeting held on Monday 21st March 2016 at Melting Pot, Edinburgh

Present:

Peter Pearson (Chair), Gill Bond, John Finney, Steve Green, Patricia Jordan, Duncan Macniven, Jo Moulin, Deirdre Wilson, Bill Wright, Jim Gibson, Rob McMorran, Chris Townsend and Will Williams

Apologies: John Fox-Davies and David MacLehose.

In attendance:

Fiona Kindness (Director of Resources).

Item 1 – Introductory items

Peter Pearson welcomed all to the meeting, noted apologies and requested declaration of any conflicts of interests. None was reported. He noted the absence of Stuart Brooks (Chief Executive), who was indisposed.

Item 2 – Minutes of last meetings

The draft minutes of the two meetings on 7 December 2015 and the meeting on 22 January 2016, which had been circulated with amendments previously proposed by Trustees, were **approved** as so amended.

Item 3 – Matters Arising

It was **agreed** that the possible land disposal at Strathaird Farm, discussed under Matters Arising at the first meeting on 7 December 2015, should be recorded as an Action Point [**AP1**].

Item 4 – Action Points from Previous Meetings (Paper A)

In a review of Action Points from previous meetings, the following points were made:

- the drafting of the Communications Strategy (Action Point 8 from meeting of 23 March 2015) had been delayed by the amalgamation of the communication and membership functions;
- the revised draft of the Wild Land Policy (Action Point 2 from meeting of 4/5 September 2015) was likely to come to Trustees' June meeting;
- the new format of the Fundraising Report (Action Point 2 from meeting of 7 December 2015) was warmly welcomed;
- Trustees would be interested to see the comments on the Scottish Government's draft Land Use Strategy (Action Point 6 from meeting of 22 January 2016) [**AP2**].

Item 5 – 2015 Accounts and Annual Report (Paper B)

Jim Gibson, chair of the Finance Committee, highlighted the effort which Fiona Kindness had had to expend on the preparation of the accounts in accordance with the new Financial Reporting Standard 102. In particular, the new FRS changed the point at which legacy income should be brought to account, from when the receipt was "certain" to when it was "probable". It had been difficult to reach agreement with the auditors on the matter. The outcome was satisfactory and the audit opinion was unqualified, but the process had been time-consuming.

Introducing the Accounts, Fiona Kindness said that the deficit of £471k was less than forecast: expenditure had been in line with the revised budget and legacy income had been unexpectedly higher. As a result, the level of reserves was within the range agreed by Trustees, albeit at the lower end of that range. The Trading

Company had performed well, reaping the benefit of bringing more work in-house. Fiona Kindness responded to questions from Trustees including the relationship between fundraising expenditure and the resulting funds raised, and the reason for increases in governance costs and expenditure on Trustees.

Trustees **approved**:

- the letter of representation to the auditors, covering both Trust and Trading Company;
- the letter of support and loan agreement from the Trust to the Trading Company;
- the consolidated financial statements relating to the Trust;

and Directors of the Trading Company **approved**:

- the letter of representation to the auditors;
- the letter of support and loan agreement from the Trust to the Trading Company;
- the financial statements relating to the Trading Fund.

Fiona Kindness noted that these approvals allowed the relevant Trustees to sign the various documents [AP3]. Trustees thanked her for her efforts to prepare the accounts and have them audited. They invited the Management Team to consider the timing of tendering for the audit of the accounts, the present auditors having served for about 15 years, and agreed that the AGM be invited to approve the reappointment of the auditors meantime [AP4].

The draft Annual Report for 2015 was considered, and **approved** subject to drafting suggestions. Trustees agreed that it be published in time for the AGM [AP5] and congratulated those concerned with its production.

Item 6 – Annual Review of Risk Register (Paper C)

The following items on the Risk Register were discussed:

- Item 1. An additional control measure – that communications should emphasise where possible the importance of wild land to the economy and to local communities – was suggested;
- Item 2. Trustees noted that the possibility of independence for Scotland had led one past funder to decline to donate further to the Trust, and that the threat of similar action by other donors existed;
- Item 11. Trustees noted that, since the restructuring, four staff had resigned, of whom two had applied for redundancy but been refused and offered their support, for instance at the meeting on 22 June, in emphasising the value they attached to the work of the Trust’s staff;
- Item 17. Trustees agreed to consider at the next meeting the staff time devoted to partnerships, in the light of the restructuring [AP6];
- Item 19. Trustees suggested that the control measures be redrafted to take account of the lessons of the Knoydart deer management discussion at their last meeting [AP7];
- Item 21. Trustees asked for clarification of the health and safety position of Trustees on unofficial visits to Trust properties [AP8];
- Item 24. Trustees welcomed the much-improved control measures and noted that there was further improvement in progress;
- Items 26, 29 and 37. Trustees noted that these risks currently exceeded our risk tolerance and welcomed the fact that they were discussed at each meeting;
- Item 43. The term “PR” should be replaced by “media”, to reflect the importance of social media.

Trustees noted that the risks attaching to any future land acquisition were not included in the Register, and would need separate consideration in each case. Trustees **approved** the Register, with the amendments noted above and in Paper C.

Item 7 – Health and Safety Policy and Report (Paper D)

Trustees welcomed the absence of accidents in 2015 and the fact that there was now only one outstanding action following the 2011 Health and Safety Audit. They noted that many of the actions marked “ongoing” were in fact complete, though requiring continuing adherence. The minor changes to the Policy were **approved**.

Item 8 – Land Disposal (Paper E)

Trustees **approved** the disposal of 7ha of woodland adjacent to Arincreaga House, Strathaird, which had little conservation/wild land benefit – subject to Duncan Macniven exploring with Mike Daniels whether it was feasible to retain the area closest to the car park for possible future conversion to native woodland.

Item 9 – Stronelairg Judicial Review Update

Peter Pearson reported that preparations were being made for the hearing on 4-6 May of the appeal against the judicial review decision and, possibly before the end of March, the decision on costs for the judicial review – the latter complicated by the recent death of Lord Jones. Trustees **noted** the position.

Item 10 – Operational Update (Paper G)

Trustees discussed the aftermath of the publicity about the Knoydart deer cull. The Trust’s response had been very effective and Trustees thanked Kevin Leland and his team for their considerable efforts. Meetings with interested parties were in hand: Stuart Brooks had met Victor Clements on 10 February (though there had been no meeting of minds); Peter Pearson and Stuart Brooks were meeting the Chairman of SNH on 30 March to put him in a position to brief the Minister; and a meeting with the Knoydart Foundation had been arranged for the end of April. It would be important to ensure that the responsible Minister after the election was properly briefed on the subject.

Trustees asked for a short note on the agreement at Ardvar (Quinag) [AP9]. They assumed that the direct marketing described in the paper was ethical and conformed with data protection legislation. They would expect any future proposed change in the frequency of Members’ News would come to Trustees for decision.

Item 11 – Financial Update (Paper Gi)

Fiona Kindness noted that the financial position was promising so far, but that a shortfall in the legacy budget was a significant threat. Trustees **noted** the position.

Item 12 - Chairman’s Report (Paper H)

The report was **noted**.

Item 13 – HR Policy Committee Report to Trustees for 2015

Bill Wright, who chaired the Committee, noted that there had been no call for it to meet in 2015. He anticipated that a meeting would be necessary in 2016, for instance to consider the results of the scheduled staff survey. Trustees **noted** the report.

Any other business

On behalf of the Trust, Peter Pearson thanked Gill Bond, Rob McMorran, Jo Moulin, Will Williams and Bill Wright, who were ending their current terms as Trustees, for their contribution – and in particular Will Williams, who had served as Trustee for a total of 15 years.

Date of next meetings – Friday/Saturday 3/4 June, AGM at Inverness
Friday 17 June, Trustees’ meeting at Pitlochry
Wednesday 22 June, Staff Gathering at Pitlochry
Wednesday 27 July, Topical Forum at Pitlochry

Summary of Action Points

AP1 Provide Trustees with a report on the scope for land disposal at Strathaird Farm.

AP2 Make available to Trustees the comments on the Scottish Government’s draft Land Use Strategy.

AP3 Relevant Trustees to sign documents relating to Annual Accounts.

AP4 Management Team to consider the timing of tendering for the audit of the accounts, and AGM to be invited to approve the reappointment of the auditors meantime.

AP5 Annual Report to be published for AGM.

AP6 Trustees to consider at the next meeting the staff time devoted to partnerships.

AP7 Risk Register to be redrafted to take account of lessons of Knoydart deer management.

AP8 Clarify the health and safety position of Trustees on unofficial visits to Trust properties.

AP9 Provide Trustees with short note on agreement at Ardvar (Quinag).

Duncan Macniven
24 March 2016