

MINUTE OF BOARD MEETING  
Monday 26<sup>th</sup> August 2013, CDT office, 7:30pm

| Item  | Action                                   |
|---|--|
| <p>1) Welcome and apologies</p> <p><u>Present:</u> David McCall, Blair Urquhart, William Levack, Bob Hughes, Alan Caldwell, Chris Palmer, Lisa MacDermid, Malcolm Allan,</p> <p><u>Staff:</u> Claire Mullan, Andy Heming</p> <p><u>Apologies:</u> Bill Knox, Emma Margrett, Davey Robertson, Sharon Rice-Jones, Will Reid and Naomi Clarke</p>  |  |
| <p>2) Consideration of the minute of the last meeting</p> <p>The minute of the meeting of the 29<sup>th</sup> July 2013 was approved.</p>   |  |
| <p>3) CCWG update</p> <p>a) bunker break in</p> <p>A break in had been discovered at the bunker on Thursday 15<sup>th</sup> August. Copper cabling had been stripped from the substation and the 2 generators and there was now no electricity to the building. A hole had been cut in the perimeter fence coming through from Cultybraggan Farm.</p> <p>Initial enquiries on the insurance policy indicated that the building wasn't covered for theft or malicious damage. The insurance broker had asked for more details to be forwarded nonetheless.</p> <p>The structure of the building remained undamaged. The main cost was the loss of electricity to the building.</p> <p>b) bunker update</p> <p>As talks with AQL had stalled, the decision had been made to put the bunker back on the market. Doug Smart had been asked to market both to telecoms companies and more generally.</p> <p>The impact of the bunker break in on the future marketing strategy would have to be assessed.</p> <p>i) CCWG response</p> <p>As a capital receipt from the bunker was looking less likely, alternative financial strategies were being explored.</p> <p>There was no salvage value to the Trust in the remaining fixtures as the cost of removal outweighed the value.</p> <p>There is still a growing market in demand for secure server storage.</p> | <p><b>CM to forward more details</b></p> |

ii) Finance WG response

Achieving financial sustainability without the anticipated Bunker sale and profit share joint venture will be more challenging.

The long term strategy to achieve financial sustainability is to repay the debt on the Camp and increase revenue generation.

Repaying as much as possible of the debt would make a significant reduction to the ongoing revenue deficit. The potential for asset disposals is under review through CCWG. The Bunker is still included in this review, though a straight sale seems more likely than an income generating joint venture.

---

4) General Finance update

**Audit**

Year End accounts not yet completed.

Revised timetable agreed with Finlaysons;

27/09/13 Completed accounts and Annual Report to Finlaysons

30/09/13 – 9/10/13 Audit

28/10/13 – 1/11/13 Audit complete

11/11/13 - 15/11/13 Accounts and Annual Report sign off

9/12/13 (or later) AGM

Working Group reports still required. These should be returned to Andy by 14<sup>th</sup> September at the latest.

**District heating**

**ALL**

Installation of practical measures to improve efficiency has begun.

Long term agreement on loan still to be achieved.

**Copying and printing**

Current printing / copier charges are £4,800 per year (inc VAT)

Quote received from Annodata identifies a saving of £1,000 (inc VAT) per year on printing and copying costs.

Ordinarily a 5 year agreement is required, but by accepting a refurbished machine, which will still be of better quality than the current machine, an agreement to Mar 2015 is available. This would limit the Trust commitment to the current CCF funding period.

Annodata are the preferred supplier for SCVO and supply many charities in Scotland.

The board approved this change in supplier.

## Revised projection going forward

On site tourism accommodation plans are still being progressed and a full progress report will be available at the end of September. It is likely that revenue would be limited in the early years, with the best returns becoming available from around 10 years on.

The potential for Events and Sports to contribute to revenue generation is unknown. However it would not necessarily require a large capital outlay for returns to made. If additional grants are not available for the sports facilities it is likely to be worth going ahead using unrestricted funds to meet the gap. The facilities will increase the range of potential events that can be attracted. The funding currently in place needs to be match funded by November so a decision will need to be made soon on how to proceed.

The following summary of the coming 3 years shows the current position;

| <b>CDT Unrestricted</b>   | <b>Apr 13 - Mar 14</b> | <b>Apr 14 - Mar 15</b> | <b>Apr 15 - Mar 16</b> |
|---|------------------------|------------------------|------------------------|
| <b>Revenue income</b>   |                        |                        |                        |
| Rental income and service charges                                     | 63,000                 | 63,000                 | 63,000                 |
| Solar PV  | 2,000                  | 2,000                  | 2,000                  |
|   | 65,000                 | 65,000                 | 65,000                 |
| <b>Revenue expenditure</b>  |                        |                        |                        |
| Cultybraggan General Maintenance/Site Mgt                             | 27,500                 | 27,500                 | 28,500                 |
| Cultybraggan Professional Fees, Legal, Marketing                      | 4,000                  | 4,000                  | 4,000                  |
| Cultybraggan Utilities  | 11,500                 | 9,500                  | 9,500                  |
| Cultybraggan Orchard  | 500                    | 500                    | 500                    |
| Cultybraggan Ring of Breadalbane bus                                  | 50                     | 250                    | 500                    |
| Staff   | 5,000                  | 18,000                 | 18,000                 |
| Office  | 600                    | 2,750                  |                        |
| Overheads, phone, printing, post, employer insurance                  | 1,400                  | 6,000                  | 8,000                  |
| Governance, meetings, events  | 3,000                  | 4,000                  | 6,500                  |
|   | 53,550                 | 72,500                 | 75,500                 |
| <b>Revenue expenditure long term maintenance, repair, improvement</b> |                        |                        |                        |
| Sports  | 7,500                  |                        |                        |
| Roads   |                        | 10,000                 | 11,000                 |
| Signage   |                        | 3,000                  |                        |
| Painting  |                        | 3,000                  |                        |
| Klargester  | 6,000                  |                        |                        |

Company limited by guarantee – Registered in Scotland – Reg No SC305425 - Charity reg no SC038596  
Registered office – 32- 34 Drummond Street, Comrie, Perthshire, PH6 2DW

|   |               |              |                 |
|---|---------------|--------------|-----------------|
| District heating efficiency improvements                      | 6,000         |              |                 |
| Other   |               | 4,000        | 4,000           |
| Long term maintenance, repair, improvement                    | 19,500        | 20,000       | 15,000          |
|   |               |              |                 |
| Revenue surplus / (deficit)                                   | (8,050)       | (27,500)     | (25,500)        |
|   |               |              |                 |
| Loan interest payments (exc District Heating)                 | 16,000        | 19,000       | 20,000          |
| Loan capital repayments (exc District Heating)                | 8,000         | 18,000       | 25,000          |
|   | 24,000        | 37,000       | 45,000          |
|   |               |              |                 |
| Revenue surplus / (deficit) after loan repayments             | (32,050)      | (64,500)     | (70,500)        |
|   |               |              |                 |
| Asset disposals surplus                                       | 37,750        |              |                 |
| Current assets at 31/03/13                                    | 30,500        |              |                 |
| Triodos repayment reserve fund                                | 30,000        |              |                 |
|   |               |              |                 |
| <b>CDT current asset balance</b>                              | <b>66,200</b> | <b>1,700</b> | <b>(68,800)</b> |
|   |               |              |                 |
| <b>CDT Restricted expenditure from grants</b>                 |               |              |                 |
| Hut 1   | 31,500        | 0            | 0               |
| Sports  | 14,500        | 0            | 0               |
| CDT overhead, governance, office, staff, CCF Flagship, LEADER | 70,000        | 56,000       | 0               |
| Energy advisor, Junior CCF projects CCF                       | 17,500        | 20,000       | 0               |
|   | 133,500       | 76,000       | 0               |

The figures assume a successful negotiation with Energy Savings Trust on the district heating system loan, which limits loan payments to a level sustainable from heat sales and RHI income.

Apr 15 – Mar 16 figures show the long term position. In the previous years CCF and LEADER funding contributes towards governance, staff, office and overhead costs.

If the debt can be repaid through asset disposals over the next 2-3 years then the ongoing revenue deficit is reduced to around £25,000 per year. This is a level which should be achievable through additional revenue generation.

There are 3 asset disposals in the pipeline but none are guaranteed.

In addition to the ongoing CCWG asset disposal review and tourism revenue project planning it is proposed that FWG (Bob and Andy) work with Alan and

Company limited by guarantee – Registered in Scotland – Reg No SC305425 - Charity reg no SC038596  
Registered office – 32- 34 Drummond Street, Comrie, Perthshire, PH6 2DW

Emma to review the longer term staffing and overhead costs and identify potential grant providers.

It was noted that the staffing budget looked low in terms of providing enough support to the Trust but also that this reflects what may need to be a temporary holding position for a few years until the Trust develops further.

It was clarified that the revenue figures reflect the known income to the Trust. Other revenue income is not projected as this is unknown.

The need to make investment to make the most of potential revenue from Sports and Events was noted.

It was clarified that the feed in tariff from the District Heating system balances the cost of fuel and as long as the loan repayment holiday is in place, the system is breaking even.

There was some discussion on the need to go back to funders with a renewed vision and discuss other options for helping the Trust move ahead with this vision. A recall of the funders meeting was suggested.

It was acknowledged that it was equally important that the Trust lets the members know in a clear and planned way that the dates for financial sustainability had moved forward.

It was agreed that a renewed vision should be discussed with members, including a revised asset disposal strategy.

For now it was agreed that the Finance WG, Alan and Emma should review the funding package and finance strategy.

---

## 5) Tenancy issues

A Board member had contacted CCWG to express concerns over the handling of tenants' contracts where tenants wished, or were obliged, to cease tenancy.

A paper had been circulated outlining the CCWG's response to the situation in question and the concerns raised.

It was suggested that the Trust needs to make a commercially viable business case if it is going to survive financially; that the Trust needed to have a business head as well as a social responsibility. Several Board members concurred.

It was noted that CCWG had looked at the possibility of making an offer if the improvements had added value. However, advice had been that this was not the case. Additionally no premium offer had been received.

It was suggested that this may be due to concern about being seen to be of profiting from someone's misfortune and that the improvements had an intrinsic value.

It was clarified that the value of the improvements to the Trust is the value of the

additional rent achieved.

After much discussion, it was established that, if an increased rental value could be achieved for the vacated premises, the Board would discuss whether any help could be offered.

Without such an increase, the Trust was simply not in a position, financially, to help.

It was recognised that some support had already been given by allowing early termination of the lease without penalty.

After further discussion, a vote was taken on the proposal that the position the Trust had taken on the matter so far was the correct one. This was agreed 7 votes to 1.

Some clarity was sought on the difference between the re-furbished huts and the new "free" huts.

It was agreed that the re-furbished huts were commercial lets. Enquiries should be directed to Doug Smart and repair issues directed to the Site Management team.

It was noted that enquiries on the unrefurbished huts are now directing to Claire. It was agreed that it would be helpful if this scheme was now referred to as the repairing lease scheme and any reference to "free" huts should include the inverted commas.

It was agreed that tenants should be either commercial or repairing lease and not any combination of the two as this would cause too much confusion and could be detrimental for the Trust's cash flow. It was noted that none of the current commercial tenants had applied for the repairing lease scheme.

---

#### 6) Ryder Cup WG update

Antonia Beggs had put David in touch with a catering company who were looking for accommodation for 500 staff over a 15 day period. David and Bill had met with them at the camp and identified which huts could be made available. There would also be the possibility of bringing in ready built units such as Bunkabins. Portaloos and portashowers would also be needed. The figure of £15/head/night had been discussed, with the possibility of realising £75-100,000. Investment would ultimately be needed to bring the facilities up to standard but it was felt that this would be a good opportunity to invest in the infrastructure of the buildings. They had shown interest in the Officers Mess and the possibility of re-instating the bar. The company had not yet been appointed as an official Ryder Cup provider but communication channels would be kept open.

It was noted that this could be a possible route to making the changing facilities permanent rather than temporary portakabins.

Caution was offered that the CDT should step back from the logistics as much as possible and leave the onus with the catering company to work out what they

---

would need and make a proposal on what they can input.

The ability to house 500 bodies at the Camp was queried but after some discussion it was agreed that the details could be worked out further down the line.

---

#### 7) Bumblebee Square

A request was made for ideas on practical action that could be taken to support Bumble Bee Square – perhaps a specific event to help raise funds to buy the square. Suggestions:

- A golf themed event
- Approach the Foundation about the Burns Supper
- Pledge the proceeds from Apple Day

It was noted, however, that whatever was raised would be a tiny amount compared to what was needed.

It was observed that many people hadn't pledged an amount yet and wouldn't do so until a target figure had been set.

It was confirmed that talks had been started with the developer and it may come down to making an offer based on advice from an independent surveyor.

The question was asked as to what the Trust's response would be if a planning application was made to build on the square. It was agreed that the Trust would discuss a response and be guided by advice from Ray McMaster and the group set up to explore all the planning issues and approaches.

---

#### 8) Duke of Edinburgh Approved Activity Provider

More information gathering was required so this item was postponed.

---

#### 9) AOCB

An e-mail had been circulated to the Board detailing concerns about a £100 contribution from CDT towards the cost of clearing the compost bays at the Camp.

It was noted that communal composting didn't seem to be working and perhaps the bays should be closed and individual composting encouraged instead.

The issue had been discussed at the last Site Management meeting and Emma had agreed to liaise between the OWG, CDT and Allotments Association. As Emma had been on holiday since then, it was agreed to wait and see how this developed.

A request had been made by a group in Milngavie for a Board member to visit and advise on how to take their ideas beyond the discussion stage. This had previously been circulated by e-mail and no-one was available. An invitation had

---

been extended to the group to travel up to Comrie for a visit.

The Board were reminded that there would be a joint meeting of the Working Groups on Wednesday evening at 7:30pm in the WRI hall and they were invited to attend.

Fiona Davidson had indicated that she would like to be co-opted to the Board. This was unanimously approved.

---

10) Consideration of membership applications

Two applications for full membership had been received and were approved

---

11) CLOSE - The meeting closed at 9:25pm

---

Company limited by guarantee – Registered in Scotland – Reg No SC305425 - Charity reg no SC038596  
Registered office – 32- 34 Drummond Street, Comrie, Perthshire, PH6 2DW



Part-financed by the Scottish Government and the European Community Rural Tayside LEADER 2007-2013 Programme