

Minute of the Board meeting of Westray Development Trust (WDT) held Monday 6th June 2016 at 2pm in the WDT Office

Present: George Drever, Douglas Leslie, Ian Ricketts, Kayleigh Seatter, Peter Needham, William Turnbull, Andrew Seatter, Philip Bews

Attending: Andy Makin, Janice Rendall

Apologies: Edith Costie, John Stout

The purpose of this meeting was to discuss the appraisal on the loan for WI Rendall's shop carried out by Sandra McLean of Developing Strathclyde Limited.

The Board, being satisfied that there was sufficient security available, agreed to offer the applicants a loan of £217,000 over 25 years with the interest rate set at 2% above base rate with the first review carried out after year 3. The reason for this, was that it was recognised that interest rates will fluctuate within the 25 years and WDT may wish to ensure that the interest rate moves in line with inflation.

Two conditions were to be added to the agreement: an independent valuation of the stock and life insurance for the applicants for the term of loan.

Post meeting decision: Following email communication within the Board regarding stock valuation and interest rates, it was agreed that the requirement for an independent stock valuation would be removed as WDT were not being asked to lend against the stock. Also, following advice from DSL, the Board agreed to offer the loan at 2.5% interest rate fixed for the period of the loan. DSL cannot offer loan management on variable interest rates (essentially, they have to close down the loan each time the interest rate is changed and start up a new loan agreement which would incur extra costs) and, WDT also have two active loans which were given at fixed interest rates.

Further agenda items which were discussed:

Learning Centre SLA review: it was agreed to renew the SLA with Corinne Curtis and it would be reviewed after 6 months or earlier if Go Westray CIC begins offering courses. The total budget for the project is £11,800.88 which includes a budget of £1,130 for mobile phone usage, travel, stationary, 'in-course' expenses and miscellaneous expenses.

Pop-up café: it was agreed to give the organisers £300 from the Hofn budget for start-up costs which would be repaid plus 10% from profits and these funds would be used for refurbishment for the Hofn.

Sports field: it was agreed that Andy would look into costs for the sports field in terms of insurance etc. **Action: AM**

Biofuels: the Board agreed to extend the lease but that the site must be cleared by 31st December 2016.

Telephone meeting with Heather Lamont from CCLA

The Board had a telephone meeting with CCLA regarding investments and below in a summary of the main points:

- CCLA expect to give a return in the region of 5% after costs on any investment – the average for the last 16 years was 4.6%.
- minimum investment level with CCLA is £1,000
- it would take a couple of days to open an account with CCLA and there is no requirement to put money in straight away.
- units are bought on a Thursday
- if funds were to be withdrawn, the return would be lower than the purchase price e.g. £100 worth of units would give a return of £96.40
- there is no cost in moving from accumulation units to income fund

With no further business to discuss, the meeting was closed at 4.30pm.