

outcome would be repeated and the Trust's budget for 2018 had been set on the prudent basis that it was best to avoid the risk of over-commitment. The challenge would be to ensure that, if unrestricted income exceeded budget as it had in 2017, action could be taken in time to ensure that funds were appropriately allocated to priority projects.

Expenditure in 2017 had been £2.4 million, compared to £2.2 million in 2016, and the 2018 budget had been set at £2.7 million. Extra care was being taken to mobilise restricted funds for their intended purpose, as an alternative to meeting expenditure from unrestricted funds. Thanks to the increased income, free reserves had increased to £2 million (equating to 9 months' budgeted expenditure), compared to £1.5 million (7 months) in 2016 - the Trust's policy being to hold free reserves of 4-6 months' expenditure.

A member asked whether the unbudgeted income could be invested and the interest used to cover future expenditure. Kerry Ross explained that the Trust did so, and that the present investment portfolio yielded interest of £65,000 - a useful sum but insufficient to meet total expenditure. The Finance Committee would be reviewing the Trust's investment policy to confirm that it was still sound. In response to a question from another member, Kerry confirmed that the Trust limited its investments for ethical reasons, recognising that yield might thereby be reduced. Replying to a third question, Kerry Ross explained that the grant of £268,000 from the Patsy Wood Trust was for the management of Glenridding Common over the 3 year lease period but that, in line with standard accounting practice, the total amount had been counted as income in 2017.

The accounts, having been approved by Trustees, were noted.

6. Reappointment of Auditors

Douglas Wynn noted that Messrs Scott-Moncrieff had been the Trust's auditors for 12 years, although the audit team had changed occasionally over that period. Trustees were of the view that the audit of the accounts should now be put to tender, with Messrs Scott-Moncrieff being invited to tender along with other firms. It was agreed to reappoint Messrs Scott-Moncrieff as auditors, subject to the tendering process, and to delegate to the board of Trustees the timing of the tendering process and the final decision on the appointment at its conclusion.

7. Election of Trustees

Kerry Ross, speaking on behalf of Andrew Bachell who had acted as Returning Officer, reported on the 2018 Election of Trustees. There had been 10 candidates for 6 Trustee vacancies. In the postal ballot, 1,084 votes had been cast, of which 50 were invalid (being unsigned, or without a membership number). The election was by single transferable vote and candidates were elected in the order: Peter Pearson; Chris Townsend; Patricia Jordan; David Gibson; Jim Gibson and Richard Williams. Peter Pearson would serve for two years, that being the term for which he was reappointed as Chair by Trustees in 2017. Richard Williams would complete the remaining one year period of the term of office of a Trustee who had resigned, and would then be eligible for re-election.

A member noted that, although the current Trustees' lack of fundraising experience had been highlighted when members were invited to propose candidates, a candidate with such experience had not been elected. Peter Pearson explained that co-option was not permitted under the Trust's Articles of Association. But that rule was being reviewed and it was in any case permissible to appoint advisers. Trustees would be considering at their June meeting whether to set up an advisory committee on fundraising. Another member suggested that the list of candidates for election should also list the current Trustees and highlight any particular expertise which was sought. Peter Pearson agreed to consider these helpful suggestions.

Peter Pearson thanked the Trustees who were demitting office - Steve Green, Hugh Salvesen and Deirdre Wilson.

8. Other relevant business

There was none.

Peter Pearson thanked everyone who had attended the meeting, including the staff present, and particularly Helen Mason who had organised the AGM and the associated members' gathering.

[To be approved at the Annual General Meeting in 2019]

Members are cordially invited to attend the Thirty-sixth Annual General Meeting at 11am on Saturday 25 May at Birnam Arts and Conference Centre, Station Road, Birnam, Dunkeld PH8 0DS

Agenda

1. Welcome and apologies
2. Minute of the Thirty-fifth Annual General Meeting
3. Matters arising from the Minute
4. Chair's report
5. Financial report and annual accounts for the year ended 31 December 2018
6. Special resolutions: (i) To change membership subscription rates to the new rates proposed in Figure 1 and to amend the Articles of Association of the John Muir Trust as follows: (ii) To amend Article 14 regarding voting and elections and (iii) to amend Article 36 and to insert a new Article 49 regarding conflicts of interest.
7. Reappointment of auditors Johnston Carmichael LLP
8. Election of Trustees - NB As the number of nominees for position of Trustee does not exceed the number of places available, there is no election this year. All valid nominations have been confirmed and the individuals will be declared elected at the AGM.
9. Other relevant business

2019 AGM Special Resolutions

(i) To change membership subscription rates to the new rates proposed in Figure 1. New rates to apply from 1 August 2019.

Figure 1 - John Muir Trust Membership Subscription Rates (£)

	Rates from 2015-present (£)	Proposed new rates (£)
Individual	36	42
Joint/Family	48	54
Individual Concession	18	21
Joint/Family Concession	36	42
Individual Life	750	825
Joint/Family Life	1,075	1,150
Group	72	60
Corporate Bronze	300	300
Corporate Silver	600	600
Corporate Gold	1,200	1,200

To amend the existing Articles of Association of the John Muir Trust (as last amended on 27 May 2017) as follows:

(ii) To amend Article 14, by adding additional sub-Articles 14.6 and 14.7 to say:

"14.6 A new member will not be able to vote in Trustee elections or at any General Meeting until he/she has been a member for at least six months.

14.7 No employee of the Trust who is also a member of the Trust is permitted either to be a supporter of a candidate or to vote in the election of any Trustee or Trustees."

and with consequential renumbering of Articles 14.6 and 14.7 to Articles 14.8 and 14.9 respectively.

(iii) To amend Article 36 and to insert a new Article 49, as follows:

(a) to amend the start of Article 36 by deleting the words "The office of a Trustee shall be vacated if that person -", and inserting instead the words "Any Trustee shall cease to be a Trustee if he or she -"

2019 AGM Special Resolutions continued

(b) to amend the end of Article 36.4 by deleting the words “that the office be vacated.” and inserting instead the words “that he or she shall cease to be a Trustee; or”

(c) further to amend Article 36 by adding additional sub-Articles 36.5 and 36.6 to say:

“36.5 has a significant conflict of interest which the Board considers has undermined and is likely to continue to undermine his or her ability to act impartially as a Trustee, such Trustee being entitled to be heard prior to the Board taking a decision; or”

36.6 is considered by the Board to have been in serious or persistent breach of any of the duties listed in section 66(1) of the Charities and Trustee Investment (Scotland) Act 2005 (as may be amended or re-enacted from time to time), such Trustee being entitled to be heard prior to the Board taking a decision.”

and with a consequential amendment of Article 36.4 so that at the end it reads

“...be vacated; or”

(d) to introduce a new Article 49, to say:

“CONFLICTS OF INTERESTS

49.1 Any Trustee and/or employee who has a personal interest (as defined in Article 49.2) in any prospective or actual contract or other arrangement with the Trust must declare that interest to the Board either generally or specifically at any relevant meeting of the Trust. Where such an interest arises, the provisions within Articles 49.3 – 49.5 shall apply.

49.2 A personal interest includes the following interests:

49.2.1 those of the Trustee or employee in question;

49.2.2 those of his or her partner or close relative;

49.2.3 those of any business associate;

49.2.4 those of any firm of which he or she is a partner or employee;

49.2.5 those of any limited company of which he or she is a director, employee or shareholder of more than 5% of the equity;

49.2.6 those of any charity of which he or she is a Trustee or employee; and

49.2.7 any relevant interests that the Board shall determine from time to time.

49.3 Whenever a Trustee finds that there is a personal interest, as defined in Article 49.2, he or she has a duty to declare this to the Board or other meeting in question. In that event, in order to avoid a material conflict of interest arising, the Trustee in question cannot take part in discussions or decisions relating to such matter.

49.4 It shall be for the Board (excluding the Trustee disclosing an interest, and any other conflicted Trustee) to evaluate the nature and extent of the conflict (whether actual, perceived or potential). It shall be for person chairing the meeting in question (or if it be the person chairing the meeting who is potentially or actually conflicted, it shall be for the other Trustees present), taking into account the level of risk and potential for reputational damage, to determine how to manage the conflict and in particular whether, for example, the Trustee in question should be required to be absent during that particular element of the meeting. Where a Trustee leaves, or is required to leave, the meeting in question, he or she no longer forms part of the quorum thereat.

49.5 The Board may at any time resolve to authorise any Trustee to continue acting where a real or potential conflict of interest exists in relation to a personal interest of that Trustee, but where it considers that the interests of the Trust have not been nor are likely to be prejudiced as a result. The Trustee in question cannot be considered as part of the quorum for that part of any Board meeting giving consideration to this authorisation.

49.6 The Board may resolve at any time to require all Trustees and senior employees to deliver a Notice of Relevant Interests to the Registered Office (or elsewhere as it may determine), as they arise and at least annually. The Board shall determine what additional interests, if any, shall be relevant interests and shall ensure that a Register of Notices of Relevant Interests is maintained.

49.7 The Board will maintain a Policy on Conflicts of Interest to amplify, but not supersede, the provisions of these Articles.

JOHN MUIR TRUST ANNUAL GENERAL MEETING 2018 DRAFT MINUTE

Thirty-fifth Annual General Meeting of the John Muir Trust,
held at Glenridding Village Hall, Ullswater on Saturday 12 May 2018.

1. Welcome and apologies

Peter Pearson (Chair) welcomed 121 members and 26 Trustees and staff to the meeting. He explained that Andrew Bachell, who had been appointed as the Trust’s Chief Executive since the previous AGM, was unable to attend because of a family illness.

Apologies had also been received from Bob Aitken, Heather Alexander, Mick Ashworth, Chris Curry, Jayne Davies, Nick Davies, Jack Ellerby, Richard Elliot, Roger Everett, Pete Garrad, Richard Hargreaves, Jane Hargreaves, Helen Lancaster, Brian Le Messurier, David MacLehose, Jean Mills, Denis Mollison, Roger Penlington, Clive Scowen, Hugh Tooby and David Tooby

2. Minute of Previous Meeting

The minute of the Thirty-fourth Annual General Meeting, held on Saturday 27 May 2017, was approved.

3. Matters Arising from the Minute

There were none.

4. Chair’s Report

Peter Pearson highlighted three major topics affecting the Trust over the past 12 months.

The most important was the lease of Glenridding Common, for the next 3 years and prospectively beyond. The property included the summit of Helvellyn, iconic in British terms. The lease gave a major opportunity for the Trust to raise its profile, particularly in England, and to increase membership and fundraising. A management plan for the property had been prepared and was currently the subject of consultation with stakeholders before being finalised. It was important to involve the local community, and an annual meeting would be arranged with the Parish Council to discuss the forthcoming year’s work programme. The property was well-used by the Outward Bound Trust, whose ten thousandth John Muir Award had been marked by a presentation the previous evening. With the help of the ALA Green Charitable Trust, a work placement programme had been started and

the first Trust candidate working on the property was present at the meeting. The Trust’s lease of Glenridding had already involved a policy question: whether to object to an application for a zipwire at Thirlmere, on the opposite face of Helvellyn. The Trust had decided to oppose the application, which had subsequently been withdrawn. The Trust had 3 years to show that it was capable of managing the property well, with the possibility of a longer lease thereafter.

The second topic was the Trust’s positive trajectory. In its field, it had an influence which was often compared to much larger charities such as the RSPB or the NT/NTS. Particular achievements in 2017 underlying that success were the launch of the Heart of Scotland Forest Partnership, the Award’s contribution to the Year of Young People in Scotland, and the successful opposition to windfarms at Caplich (Assynt) and Culachy (Fort Augustus), consent for which had recently been refused by the Scottish Government.

The third topic was organisational development. The impending General Data Protection Regulation required little change, because the Trust did not share members’ data without their consent, but a considerable amount of work to codify current practice. The recent concern about charities’ safeguarding policies had not affected the Award, which had always safeguarded vulnerable participants, but required improvement for volunteering members and for staff. Peter Pearson paid tribute to the work of the Trust’s volunteers, and to Trustees and staff.

The Chair’s Annual Report was approved.

5. Financial Report and Annual Accounts for the year ended 31 December 2017

Douglas Wynn, Trustee and Convener of the Finance Committee, reported that 2017 had been a very satisfactory year for the Trust’s finances. He thanked Kerry Ross, Director of Finance and Resources, for the work she and her team had done to prepare the accounts.

There had been an increase in membership and, largely thanks to the generosity of members, income had grown from £2.9 million in 2016 to £3.9 million in 2017 (including legacies of £0.8 million). Some of the income was earmarked for specific purposes (including a donation of £1 million for land purchase). It was difficult to predict whether that excellent