

Investments & Contracts Committee

Minutes of the meeting held on 6 November 2018

PRESENT: K P Hughes, T LI Hughes MBE, K P Hughes, G O Jones, Alun W Mummery, Dafydd Roberts, Nicola Roberts and Robin Williams.

R O Jones – Vice-Chair of the Isle of Anglesey Charitable Trust

IN ATTENDANCE: Treasurer,

Officers from the Isle of Anglesey County Council (herein referred to by their IOACC job titles)

Capital & Treasury Management Accountant (GR),
Committee Officer (MEH).

APOLOGIES: Dafydd Rhys Thomas

ALSO PRESENT: Ms Carli Watson and Mr Tommy Doan – HSBC Global Management (UK) Limited

1 ELECTION OF CHAIRPERSON

Mr T LI Hughes MBE was elected Chairperson.

2 ELECTION OF VICE-CHAIRPERSON

Mr Dafydd Roberts was elected Vice-Chairperson.

3 DECLARATION OF INTEREST

None received.

4 MINUTES

The minutes of the meeting held on 7 November, 2017 were confirmed.

(Minutes confirmed by the Isle of Anglesey Charitable Trust held on 12 December, 2017).

5 INVESTMENT MANAGEMENT

Submitted – the HSBC Global Management (UK) Limited report up to October 2018.

The representatives from HSBC gave a detailed overview of the Charitable Trusts' investment portfolio within the Charities Service UK Growth & Income account. The value of the portfolio was £21,381,961.84 at 30 October, 2018. Details of the key market developments was reported to the Committee and it was noted that a strong start to the 2018 year was interrupted by a return to market volatility as fears over higher bond yields, rising inflation and a quicker pace of interest in the US. A decline was recovered in the latter part of February as investors focused on the backdrop of good global economic growth and positive corporate earnings. Further equity market weakness was prompted in March by fears over the strength of the global economy and an increase in trade protectionism, as well as specific concerns over increased regulation in the technology sector. Markets stabilised in April as global trade tensions and concerns over US inflation eased. The

pound weakened in April amid broad US dollar strength. US-China trade tensions overshadowed equity markets in June with emerging market bonds and equities weighted down by some weaker than expected Chinese economic activity data and the Fed raising of interest rates by 0.25%. It was further noted that financial markets are sensitive to political developments.

It was RESOLVED to thank the representatives from HSBC Charities Team for attending the meeting and to accept the report.

6 ALLOCATION OF FUNDING FOR LARGER GRANTS

Submitted – a report by the Treasurer in relation to the allocation of funding for larger grants in 2019.

The Treasurer reported that over the past three years, the Isle of Anglesey Charitable Trust set aside a sum of money to fund successful applications for larger grants (over £8,000). In 2016, £200,000 was allocated and in 2017 and 2018, £350,000 was allocated. In 2018, the application process was widely advertised and resulted in the Trust receiving 34 applications from organisations requesting assistance, with the total of £1.48m requested. 14 applications were successful with the full £350,000 allocated being awarded as grants.

In 2017, this Committee considered 3 options to determine the sum to be allocated :-

- Based on 20% of the increase in the capital value of the Portfolio (excluding the value of cash transferred into the portfolio during the year);
- Based on 20% of the increase in the capital value of the Portfolio (including the value of cash transferred into the portfolio during the year);
- To maintain the sum allocated as per the previous year i.e. £350,000.

Following deliberations it was **RESOLVED to recommend to the full Charitable Trust that a sum of £350,000 be the sum allocated as per the previous year towards larger grants.**

**Mr T LI Hughes MBE
Chair**