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CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

YMDDIRIEDOLAETH
ELUSENNOL YNYS MON
ISLE OF ANGLESEY
CHARITABLE TRUST

RHYBUDD O GYFARFOD		NOTICE OF MEETING
PWYLLGOR BUDDSODDI A CHONTRACTAU		INVESTMENTS AND CONTRACTS COMMITTEE
DYDD MAWRTH, 6 TACHWEDD, 2018 at 11.30 o'r gloch yb		TUESDAY, 6 NOVEMBER 2018 at 11.30 am
YSTAFELL BWYLLGOR 1, SWYDDFEYDD Y CYNGOR, LLANGFNI		COMMITTEE ROOM 1, COUNCIL OFFICES, LLANGFNI
Swyddog Pwyllgor	Mrs Mairwen Hughes 01248 752516	Committee Officer

AELODAU / MEMBERS:

Cadeirydd yr Ymddiriedolaeth Elusennol Ynys Môn/
Chair of the Isle of Anglesey Charitable Trust

T LI Hughes MBE

Is-Gadeirydd yr Ymddiriedolaeth Elusennol Ynys Môn/
Vice-Chair of the Isle of Anglesey Charitable Trust

R O Jones

K P Hughes
T LI Hughes MBE
Aled M Jones
Gwilym O Jones
R LI Jones
Alun Mummery
Dafydd Roberts
Nicola Roberts
Dafydd R Thomas
Robin Williams

A G E N D A

1 ELECTION OF CHAIRPERSON

To elect a Chairperson.

2 ELECTION OF VICE-CHAIRPERSON

To elect a Vice-Chairperson.

3 DECLARATION OF INTEREST

To receive any declaration of interest by any Member or Officer in respecty of any item of business.

4 MINUTES (Pages 1 - 4)

To submit the minutes of the meeting held on 7th November, 2017.

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

5 INVESTMENT MANAGEMENT

To submit a report by HSBC Global Asset Management (UK) Limited.
(REPORT TO BE DISTRIBUTED AT THE MEETING)

6 ALLOCATION OF FUNDING FOR LARGER GRANTS (Pages 5 - 6)

To submit a report by the Treasurer.

Investments & Contracts Committee

Minutes of the meeting held on 7 November 2017

- PRESENT:** Messrs. K P Hughes, R LI Jones, G O Jones, Alun W Mummery and Dafydd Roberts
- IN ATTENDANCE:** Treasurer,
Committee Support/Officer (SC).
- APOLOGIES:** Messrs. T LI Hughes MBE, A M Jones, Dafydd Rhys Thomas and Robin Williams.
- ALSO PRESENT:** Mr. Richard O Jones – Vice-Chair of the Isle of Anglesey Charitable Trust
Mr. Rupert Cecil, Director – HSBC Charities Team
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1 ELECTION OF CHAIRPERSON

Mr. R.O. Jones was elected Chairperson.

2 ELECTION OF VICE-CHAIRPERSON

Mr. R.LI. Jones was elected Vice-Chairperson.

3 DECLARATION OF INTEREST

None received.

4 MINUTES

The minutes of the meeting held on 1 November, 2016 were confirmed.

5 INVESTMENT MANAGEMENT

Submitted – the HSBC Global Asset Management (UK) Limited report up to October 2017.

The Director – HSBC Charities Team reported that the Investment Management reports on a quarterly basis on the performance of the Trust fund. He gave an insight to the Members of the Committee on the background of the investment portfolio and noted that the Isle of Anglesey Charitable Trusts' investment is invested within the Growth and Income Strategy which is a multi-asset portfolio. The value of the portfolio was £22,947,867 at 30 September, 2017. The yield forecast from the portfolio was 7.67% (gross) with 7.36% (net).

Further detailed information on the asset distribution and the performance of the various elements of the portfolio was provided to the Committee.

Members of the Committee wished to extend their appreciation to HSBC Investment Management for the exceptional performance of the Charitable Trust fund.

It was RESOLVED to thank the Director – 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 2018.

The Treasurer reported that in both 2016 and 2017 the Isle of Anglesey Charitable Trust set aside a sum of money to fund successful applications for larger grants (over £8,000). In 2016, £200k was allocated and in 2017, £350k was allocated. In 2017 the application process was widely advertised which resulted in the Trust receiving 31 applications from organisations which totalled £1.6m. After assessment and consideration by the Regeneration Committee, 12 applications were successful with a full £350k allocated being awarded as grants.

The Committee considered 3 options :-

1. Based on 20% of the increase in the capital value (excluding the value of the cash transferred into the Portfolio from the sale of the Rhosgoch site) – This would provide a fund of £177,000 for the larger grants in 2018.
2. Based on 20% of the increase in the capital value (including the value of the cash transferred into the Portfolio from the sale of the Rhosgoch site) – This would provide a fund of £577,000 for the larger grants in 2018.
3. To maintain the value of the fund as per 2017 i.e. £350,000.

Following deliberations and consideration of the impact on the fund should the value of the investments fall it was **RESOLVED to recommend to the full Charitable Trust that option 3 is followed and that £350,000 is made available for funding towards larger grants in 2018.**

Mr R O Jones
Chair

ISLE OF ANGLESEY CHARITABLE TRUST	
COMMITTEE:	CONTRACTS AND INVESTMENT COMMITTEE
DATE:	6 NOVEMBER 2018
TITLE OF REPORT:	ALLOCATION OF FUNDING FOR LARGER GRANTS
PURPOSE OF REPORT:	To agree a sum to allocate for larger grants for 2019
REPORT BY:	TREASURER – ISLE OF ANGLESEY CHARITABLE TRUST
ACTION:	Based on the information provided by the Trust's Investment Managers, to determine the sum that will be allocated to larger grants in 2019

1. BACKGROUND

- 1.1 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.
- 1.2 For 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. After assessment and consideration by the Regeneration Committee, 14 applications were successful with the full £350,000 allocated being awarded as grants.
- 1.3 Although it is a decision for the full Trust to determine whether they wish to allocate funding to larger grants in 2019, it is a decision for this Committee to determine the sum to be allocated.

2. METHODOLOGY TO DETERMINE THE VALUE OF THE FUND

- 2.1 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.
- 2.2 It should be noted that there is always a risk that the capital value of the investments can fall and allocating too high a sum in times when the capital value of the fund is growing may have a detrimental effect on the future investment returns if the capital value of the fund begins to fall sharply.
- 2.3 The Committee must, therefore, take into account the advice of the Investment Manager before deciding what the sum allocated will be, ensuring that the fund is sufficiently large to enable the Trust, if it decides to do so, to help as many organisations as possible without putting at risk the future levels of income the fund will generate. The Investment Manager will be in attendance at the meeting of this Committee to provide the appropriate advice.

3. ACTION REQUIRED

- 3.1 The Committee is requested to consider the advice of the Treasurer and the Investment Manager and to determine the sum to be allocated for larger grants.

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