

Annual General Meeting

Fri 22 September 2023, 11:00 - 13:30

P&J Live, East Burn Road, Stoneywood, Aberdeen AB21 9FX



In Attendance

Presenters

Jackie Bird (President), David Mitchell (Deputy Chair, Board of Trustees), Philip Long (Chief Executive), Lesley-Ann Logan (Finance Director), Stephen Small (Trust Secretary & Solicitor)

Meeting minutes

1. Welcome & Introductions

David Mitchell, Deputy Chair of the Board of Trustees, took the Chair, supported by the Trust Secretary, the Chief Executive and the Finance Director and in the presence of senior staff and members of the Trust in attendance in Aberdeen and online.

The Deputy Chair extended a very warm welcome to members at the 2023 Annual General Meeting (the 'meeting') of the National Trust for Scotland.

Pre-registered members were able to watch and vote on each of the resolutions being proposed in real time through a platform operated by UK Engage. Members attending in person were asked to raise their hand to vote on resolutions in the usual way.

A total of 165 members attended the meeting in Aberdeen and online.

2. Minutes

Decision

To approve the minutes of the Annual General Meeting of 24 September 2022.

The Deputy Chair reported that there had been no advance intimation of any amendments to the minutes of the meeting held in Glasgow on Saturday 24 September 2022. Members were asked to vote on the resolution to approve the minutes. The minutes of the meeting of 24 September 2022 was duly adopted as a true and accurate record.

3. Election of the President

Decision

To propose the re-election of Ms Jackie Bird as President.

The Deputy Chair was delighted to confirm that Jackie Bird had volunteered to remain as President of the National Trust for Scotland following her appointment to the honorary role at the 2022 AGM. He reported that Jackie had done a magnificent job in representing the Trust by travelling to our properties, meeting our staff, and helping to encourage very generous donations towards the Trust's conservation work.

On behalf of the Board of Trustees, the Deputy Chair proposed Jackie Bird for appointment as President of the National Trust for Scotland. Members were asked to vote on the resolution to approve the appointment.

The Deputy Chair was delighted to declare the President duly re-elected and handed over the chair for the remainder of the meeting to the President.

The President thanked the Deputy Chair for his kind words of endorsement and thanked the members for their continuing confidence in granting her the great honour and privilege of being the President of the National Trust for Scotland. She explained that it had been a year of learning for her and she had particularly enjoyed the stories and meeting all the wonderful people in her travels across the Trust's estate.

4. 92nd Annual Review & Accounts

To consider the adoption of the 92nd Annual Review and Accounts.

Members viewed a video presentation from Philip Long, Chief Executive. He reported on the performance for the year ended 28 February 2023. Highlights of the Trust's achievements during this period included: conservation projects such as the re-harling of Craigievar Castle (with gratitude expressed to all who supported the 'Pink Again' appeal); the re-opening of the House of the Binns; the opening of the new Corrieshalloch Gorge 'Gateway to Nature' Centre, supported by funding from the Natural and Cultural Heritage Fund, the European Regional Development Fund and People's Postcode Lottery; the acquisition of the Treshnish Isles in the Inner Hebrides, supported by the Hebridean Trust and the National Trust for Scotland Foundation USA; climate restoration work on a habitat on Mar Lodge Estate to provide shade and shelter for species in the Geldie Burn; and completion of the first year of the Trust's ten-year strategy: *Nature, Beauty & Heritage for Everyone*. The Chief Executive was also honoured that the Trust had been part of a consortium to acquire manuscripts by Robert Burns from the Honresfield Library and these were now part of the Trust's collections in Alloway for everyone to see.

Although the Trust's visitor numbers were not quite back at pre-pandemic levels, the Chief Executive was pleased to report that 3.6 million people had chosen to spend time at a Trust place during the period with membership numbers growing too. Overall, the Trust was more confident, progress had been positive, and the support from members and visitors had been crucial in the Trust's recovery over the past three years. Efforts were also continuing on engagement with new and more diverse audiences. A new project, *Timesliders*, a dynamic theatre-based approach to teaching history through the adventures of fictional time-travellers, had also helped to re-engage school-age learners following the pandemic. The £1 entry for Young Scot cardholders had also been successful in getting young people involved in their heritage and visiting Trust properties. The *Facing Our Past* project had proven popular in exploring the legacy of slavery in Scotland and the links to Trust properties and collections, and had given the opportunity to build relationships with communities to learn about the truth of our pasts from different perspectives. The Chief Executive was committed to the Trust being a place for everyone.

The Chief Executive was immensely proud of all that the Trust had achieved throughout the last year, none of which would have been possible without all of its volunteers, paid staff, Trustees, committed members, the Patron, donors, supporters, partners and funders. He expressed his gratitude to all and hoped to share many more achievements as the Trust continued its work to care and speak up for Scotland's magnificent heritage.

Members also welcomed a presentation from Lesley-Ann Logan, Finance Director. The presentation focused on the financial highlights and performance for the year ended 28 February 2023. The Finance Director reported that a strong financial base was crucial to enable the Trust to maintain all of its wonderful places and continue to recover post-pandemic. Looking at the financial highlights for 2022/23, the Finance Director reported: the continued support of the membership, with 82% of members remaining with the Trust; total income was over £57.8m (up by 17.5% from 2021/22); total expenditure was £65.6m (up by 16% from 2021/22); and there had been a total net deficit of £7.8m (before losses on investment) which compares to a planned net deficit of £11.1m. It was a year of challenge and uncertainty, planned change and recovery, but overall performance was good, exceeding expectation and beating budget.

Continued support and loyalty from the membership, with around 317,000 members at the end of February 2023, had contributed around £17m in membership income, the Trust's largest single source of revenue. The Finance Director reported that the Trust's financial recovery post-pandemic, had largely been driven by the continued generous support of its members and visitors. Commercial income had contributed £14m (up 55% from 2021/22) thanks to the introduction of new products, reducing costs through the negotiation of national suppliers, and the ability to open most properties for the full season.

During a volatile year both politically and economically, the Trust's investments had seen a reduction in value by £8.3m. The Finance Director explained that the Trust's investment portfolio was diversified, protecting the assets in a downturn period, and had recovered somewhat over the summer.

Although the general income fund had decreased to £50m in February 2023, this remained higher than the minimum reserves policy value of £33.2m. This planned decrease was the result of more staff at properties, upgraded holiday cottage offerings, investments in IT, capital projects and maintenance works.

Overall, the outlook was positive with the focus on membership loyalty, returning visitors, the continuation of maintenance and capital works, and greater clarity on longer terms plans. There was, however, still a high level

of concern and uncertainty that would need to be monitored with the ongoing climate challenges, impact of global inflation, cost of living crisis, and resource and recruitment challenges that continued to impact the Trust.

The Finance Director concluded that work would continue to be focused on activities that are aligned with achieving the Trust's strategic goals, looking at priorities and ensuring that all ongoing committed work and obligations are met. This would be met by balancing the challenge of finances for the present, whilst retaining a pipeline of exciting projects for the longer term. Strengthening the financial base will enable us to continue caring for nature, beauty and heritage for everyone. None of this would be possible without the support of the members.

Members then viewed a video presentation from Andy Shaw of the Trust's external auditors, AAB Audit Limited, on the Trust's accounts for the year ended 28 February 2023. AAB Audit Limited had satisfactorily completed their first audit for the Trust and were pleased to confirm that the Trust had received a clean and unqualified audit report for the year ended 28 February 2023.

AAB recorded their appreciation of the support and time of all of the members of the Trust's finance team during the audit process. The responsibilities of AAB as auditor are set out in the Auditor's Report within the Financial Statements presented. A reasonable level of assurance was provided. AAB had concluded that the financial statements are materially appropriately stated, the accounting policies are appropriate, and that there are no unadjusted audit mis-statements that could have a material impact on the accounts. AAB concurred that the Financial Statements should be prepared on a going concern basis, having challenged and assessed the forecast for the next 12-month period. AAB confirmed that the Financial Statements had been properly prepared in accordance with UK generally accepted accounting practices and in accordance with the requirements of the Charities and Trustee Investment Act and regulation 8 of the Charities Accounts Regulations.

The President thanked the Chief Executive, the Finance Director and AAB for the presentations.

The President called for the adoption of the 92nd Annual Review and Accounts for 2022/23. The resolution was duly approved.

5. Question & Answer Session

The President opened the meeting up to the first of two question & answer sessions.

The first session covered the questions submitted in advance of the meeting. The President paraphrased the questions that had been asked by members. The answers have also been paraphrased below for the purpose of the minute.

Question: David Charles asked a question in relation to the buildings that the Trust owns that are not open to the public and not in use such as Sailor's Walk in Kirkcaldy. He wished to know why these assets were not used.

Answer: Although Sailor's Walk is not open to the public, it has been used for different purposes over the years. More recently, it had been tenanted. Sailor's Walk would be open for members of the public to visit on 21 October 2023 from 11am to 4pm. The Chief Executive reported that there were 112 non-visited properties within the Trust's care. Some of these were used as holiday cottages, and some had other beneficial uses. The Chief Executive acknowledged that there was a challenge with resources and giving all of the structures and buildings across the estate the necessary attention and investment that they required.

Question: Michael and Christine Turner asked about the future of Mallyen House following a recent visit for a meeting in the house.

Answer: The Chief Executive was pleased to report that a project had begun to refurbish Mallyen House, and further investment for repairs had been approved for the refurbishment of the interiors. The house itself had been gifted to the Trust on the basis of it being used as a residence. Although the house requires significant investment, it was hoped that it could be opened up periodically for public access and community use.

Question: Angus Sprott questioned the cost of the Trust's joint membership for over 60s compared to that of the National Trust and asked whether the Trust had any plans to match the offer. He also asked if there were any ideas that could be offered on how we could encourage younger people to think about the Trust in their wills.

Answer: Jane Ferguson, Director of Audiences & Support, explained that there would be a review of the

Trust's pricing structure to look at the existing categories and what new offerings could be made to reflect modern life. Addressing the point about gifts in wills, she explained that some transformational projects were in the pipeline and would be announced in the coming year. This would provide the team with a pipeline of projects for support. A legacy campaign had also just been launched and would run until September to encourage supporters, members and others to consider the Trust through a gift in their will. These donations, no matter the size, make such a difference.

Question: Jonathan Rose asked how the Trust proposed to manage the increasing threat from onshore windfarms.

Answer: The Chief Executive explained that the Trust had a Renewable Energy policy and that the Trust's concern was to ensure that the installation of windfarms did not damage areas of the landscape. The Trust would use its voice where it was appropriate to do so, in matters that were of concern to the organisation.

Question: Jane Beatrice Skinner asked how the Trust reaches its look and identity.

Answer: Jane Ferguson explained that her directorate looked after brand and marketing for the organisation. A lot of thinking goes into the look and feel of the brand from the Trust's internal teams as well as external agencies and it is well recognised having stood the test of time. There were no current plans to change the branding.

Question: Keith Griffiths asked a number of questions. He asked why the meeting was taking place on a Friday rather than the usual Saturday, and whether the minute of the meeting should be more detailed. He also asked if the sustainability objective KPI relating to carbon equivalent emissions per visitor in the Annual Report is relevant and also, on financial sustainability, how the Trust's financial performance in 2022/23 did against budget and what is the budget for 2023/24. Finally, Mr Griffiths asked what the £500,000 of publicity and fundraising costs allocated against endowments represented in the annual accounts.

Answer: Stephen Small, Trust Secretary responded to the questions. He stated that he was happy to incorporate the number of members present and more of the Q&A meeting content into the minute, but assured Keith that the full video of the meeting remained online for members to view after the meeting. To reach as many members as possible, the meeting had been trialled on a Friday to see if it proved popular, as well as making it available for members to watch live online. Research had been carried out with the membership during the course of the year on the AGM. Management were happy to take on board any feedback on any aspect of the arrangements.

Diarmid Hearn, Head of Policy addressed the question on carbon emissions. He explained that it was a simple measure of known emissions divided by the number of visitors to give a per capita estimate, but things were in development to give a much better picture and greater data. A climate change action plan was being developed to take the Trust to a net zero position by 2031.

Lesley-Ann Logan, Finance Director answered the last questions on performance and budgets and endowments. The presentation that she gave earlier in the meeting covered financial performance for 2022/23 but reported that the budgeted deficit for that year was £11.1m and achieved a deficit of £7.8m; and the budgeted deficit for 2023/24 is £14.6m. The Finance Director explained that the £492,000 allocated against the category of publicity and fundraising in the financial statements represented investment management costs.

Question: Alastair Learmont asked whether the Trust would disclose the current value of the Malleny endowment fund and provide specification of the use of income from the fund since 2009.

Answer: The Chief Executive confirmed that the endowment fund was currently valued at around £900,000, with income from the fund restricted to Malleny. A fuller response would be provided to Mr Learmont separately on the use of the income over the previous 14-year period.

Question: Theresa Lindsay questioned whether there are any plans to extend the availability of biochar from Inverewe to other properties for members of the public to purchase. She also asked why the Trust's policy on dogs entering walled gardens varied property by property.

Answer: The Chief Executive explained that the team at Inverewe had worked really hard to make the property as sustainable as possible, through recycling as much of its waste as possible. It had been able to offer the biochar product for sale. Although this was just in small quantities for now, the Trust would like to consider ways to upscale the production at other sites in the future, although he accepted that this would require considerable investment. In relation to the position on dogs, the Chief Executive recognised that dogs are very important companions to people and that the Trust was trying to be sympathetic to that at our places.

Although the Trust has a detailed policy that covers its properties, the decision whether to admit a dog to a garden rests with individual property managers to determine the suitability on a case-by-case basis.

Question: James Lindsay asked whether the Trust was concerned by professional dog walkers using the Trust's car parks and grounds with no visible parking stickers.

Answer: The Chief Executive responded by confirming that the land outside of the Trust's gated properties is free for all to use, and that it would not be appropriate to impose restrictions, but the teams on the ground did work hard to encourage non-members to pay for parking and raise awareness of the Trust's charitable cause.

The President thanked the members for all of the questions.

6. Election of Auditors

Decision

The Board of Trustees will propose that AAB Audit Limited of 81 George Street, Edinburgh EH2 3ES be re-appointed as the Trust's auditors.

The President reported that the Board of Trustees unanimously recommended the re-election of AAB Audit Limited of 81 George Street, Edinburgh EH2 3ES as the Trust's auditors.

The resolution was proposed and duly approved by the members.

The President confirmed that AAB Audit Limited had been formally appointed as the Trust's auditors.

7. Election of Vice-Presidents

Decision

The following candidates will be proposed for re-election as Vice-Presidents: Caroline Borwick; Professor Hugh Cheape MBE; Professor Michael Scott-Morton; and the Duchess of Fife.

The President reflected on the vital ambassadorial work carried out by the Vice-Presidents throughout the year. Although having no direct role in the governance of the Trust, they fulfil duties that generate goodwill and help pave the way for the Trust's fundraising ambitions.

On behalf of the Board of Trustees, the President proposed the recommendation of the re-election of Caroline Borwick, Professor Hugh Cheape, Professor Michael Scott-Morton, and the Duchess of Fife as Vice-Presidents of the Trust.

The resolution was duly proposed and approved.

8. Ordinary Membership Subscription

Decision

It will be proposed that with effect from 1 January 2024, the minimum amount of the annual subscription required for qualification as an Ordinary Member of the National Trust for Scotland, currently £66.00 shall be raised to £69.30.

Members considered a presentation from Jane Ferguson, Director of Audiences & Support, outlining a proposal to increase the Ordinary Member annual subscription from £66.00 to £69.30 with effect from 1 January 2024. The President asked members to vote on the resolution. The resolution was duly proposed and approved.

9. Presentation: Gardens of the North East

Chris Wardle, Gardens and Designed Landscapes Manager, delivered a presentation on the gardens of the North East. Chris was delighted and honoured to be able to speak to members at the meeting. His presentation focused on garden heroines and the people, past and present, who have brought gardens to life, advocating on landscape improvements, heritage conservation ideas and concepts, and the impact that this has had on the Trust's gardens across North East Scotland.

The presentation also focused on new challenges facing gardens, juggling climate change adaptations, sustainability, conservation and reducing pesticides and fuel uses, whilst maintaining the spirit of place expected of our gardens.

The President thanked Chris for his presentation.

10. Question & Answer Session

The President opened the meeting up to the second question & answer session for live questions in the room and online.

The President paraphrased the questions that had been asked by members. The answers have also been paraphrased for the purpose of the minute.

Question: Andrew MacKenzie asked whether the Trust had any plans to merge with other bodies such as Historic Environment Scotland to make it easier for visitors, especially those from abroad, and to generally improve visitor experience.

Answer: The Chief Executive explained that the Trust had been established in 1931 as an independent charity and undertook different duties than those of other bodies. Although the Trust worked closely with other organisations, such as in the development of the national *Our Place in Time* Strategy or through reciprocal rights for entry or guardianship agreements, there was no plan to merge. It was important for the Trust to be independent of political influence and be in a position to speak up and advocate for things that we care about, and against government policies that we disagree with.

Question: Nancy Jenkins wondered why only the Ordinary membership subscription rate was approved at the Annual General Meeting.

Answer: The Chief Executive explained that the Trust's founding Acts of Parliament set out that the Ordinary member rate be considered at the AGM. All other rates are delegated to the Board of Trustees and considered in line with the annual budgeting cycle, the income that would be desired for the Trust, and in the context of other external factors such as inflation.

Question: A written question was submitted on the activity of the Members' Centres and Friends' Groups and asked whether a mechanism could be found on the Trust's website to help promote their work.

Answer: The Chief Executive reported that the Members' Centres and Friends' Groups were an important part of the Trust and contribute significantly to the finances. Unfortunately, a number of the Members' Centres had stopped operating and he was keen to find away to help these groups develop and flourish for the future. Although the groups are all established as independent charities, the Trust did what it was able to in terms of promotion in the members' magazine, Members' Guide and website. The Chief Executive hoped that the groups could all continue to flourish.

Question: Elizabeth Watt asked if there would be opportunities for members to provide their views on particular projects and whether more non-visited properties could be featured as part of the Doors Open Day programme.

Answer: The Chief Executive explained that the process of what is considered for conservation investment is complex and a great deal of research, financial considerations and approvals are put in place before a project is started. He hoped that, going forward, there may be areas of activity where members could offer up their views. The Chief Executive thanked Ms Wyatt for the idea for more non-visited properties to feature through the Doors Open Day scheme.

Question: Stephen Ballard asked whether the Trust had thought of ways to reduce the use of petrol and diesel engines in its gardens in favour of more environmentally friendly solutions.

Answer: Chris Wardle, Gardens and Designed Landscapes Manager, highlighted that the Trust was moving

towards electrification of its small machinery across the Trust but unfortunately the technology was not yet fully developed for the larger machinery items. Sustainability was an evolutionary process.

Question: Charles Hope wondered whether it would be possible to buy Trust ties to help the Members' Centres promote the work of the Trust.

Answer: The Chief Executive reported that the retail team were constantly developing new lines and he would feed the interest back to the team.

Question: Linda Slessor asked a question on the Trust's magazine, having recently found out that she had not been subscribed to receive it. She wondered whether life members had been dropped from the list and why she hadn't received information about recent appeals.

Answer: The Chief Executive assured Ms Slessor that the Trust wanted to communicate with members in as many relevant ways as possible and welcomed any feedback as to how the Trust develops its communications to reach as broad an audience as possible.

As the meeting was nearing the end, the President closed the Q&A session. Any unanswered questions would be followed up after the meeting.

11. Election of Three Trustees

Information

The President reported that, earlier in the year, members were invited to put themselves forward for election for three positions on the Board of Trustees for the following categories: Formal Education, Learning and Research; Commercial and Entrepreneurial Activity in a Consumer Environment; and Natural Heritage, Wildlife and Environment. A total of three candidates came forward who each met the skills and experience criteria for election to the Board in the category of Formal Education, Learning and Research and were therefore subject to the ballot. However, only one qualified candidate came forward for each of the other two categories. Voting has been conducted online and by post.

The President invited Stephen Small, Trust Secretary & Solicitor to announce the results of the ballot for the Formal Education, Learning and Research category. The candidate who had received the most votes in this category and was duly re-elected to the Board of Trustees to serve a second term was Professor Murray Pittock. The Trust Secretary congratulated Professor Pittock and thanked Dr Lynne Robertson and Joe Traynor for taking part in the election and the members who cast their votes.

The President addressed the vacancies that remained for the Commercial and Entrepreneurial Activity in a Consumer Environment and, Natural Heritage, Wildlife and Environment categories. As there was only one candidate in each category and a ballot could not be applied, a resolution was proposed to appoint Lish Kennedy and Will Williams respectively to the Board of Trustees with immediate effect. The resolution was duly approved by the members.

12. Appreciation of Departing Friends

The President welcomed the Deputy Chair to the podium.

The Deputy Chair took a few moments to reflect on the sad news of the passing of Wendy Corrigan in the autumn of 2022. Wendy joined the Board of Trustees in 2019 with a specialism in buildings, conservation and architecture. Her passion, experience, and friendship would be sorely missed.

The Deputy Chair thanked James Fenton, who stepped down as a Trustee at the end of the meeting, for his significant contribution to the organisation, having most recently completed two terms on the Board of Trustees. His wise counsel and ecological views would be missed.

The Deputy Chair also made a special presentation to Joyce Mackie, a volunteer of 50 years, for her remarkable contribution to the Trust.

13. Annual General Meeting 2024

The President confirmed that the date of the next meeting would be Friday 20 September 2024. It was proposed that the meeting would take a similar format to that of 2023, and a venue would be announced in the Trust's magazine in due course.

14. Close

The President brought the 2023 Annual General Meeting to a close.