

THE MACFARLANE TRUST

Minutes of a meeting of the Trustees held at Alliance House
on Tuesday 2nd May 1989 at 11.00 am.

Present: The Rev. Alan Tanner, Mr Grinsted, Mrs Guy, Dr Jones,
Mr Knight, Mrs Leitch, Mr Palmer, and Mr Stevens. In
attendance: Wg Cdr Williams, Mr Williams and Ms Evans.

AGENDA

- 89.32 Apologies for absence
- 89.33 Minutes of meeting held on 14th March 1989
- 89.34 Matters arising
- 89.35 Allocations Committee
- 89.36 Mortgage Policy
- 89.37 Finance
- 89.38 Administration
- 89.39 Information and Public Relations
- 89.40 Any other business
- 89.41 Date and place of next meetings

The Chairman welcomed all to the meeting and particularly welcomed Ms Caroline Evans, the Trust's new assistant social worker to her first meeting in her second week in the office.

89.32 APOLOGIES FOR ABSENCE. Apologies had been received from Mr Taylor.

89.33 MINUTES OF PREVIOUS MEETING held 14th March 1989.
The Chairman asked for comments on the minutes. Mr Grinsted asked that an item be inserted in minute 89.27 between parts B & C to show that the Trustees had agreed on the need for an overall policy document for mortgages. This was agreed and it was proposed by Dr Jones and seconded by Mr Knight that the Minutes be accepted as a true record. This was agreed unanimously and the Minutes were signed by the Chairman.

89.34 MATTERS ARISING

It was agreed that there were no matters arising from the previous Minutes that would not be covered by the current Agenda.

ALLOCATIONS**a. Report on Grants made.**

The summary of grants made up to 30th April had been circulated and is added at Annex A to these minutes. The figures included grants made by the Administrator/Social Worker and by an Allocations sub-Committee held on 21st April 1989.

b. Policy matters.

Arising from discussion of cases reviewed, the following matters were considered as having effect on policy, and decisions were taken as recorded.

1. Holiday Grants. The large percentage of grants going to holiday grants and the size of grants at the standard rate when applied to large families were reviewed. On a motion on whether a limit should be applied to any one grant, 2 Trustees voted for a limit and four against.

Current policy was therefore endorsed of granting up to £350 for an adult and £175 for a child. Second grants to be reviewed by Trustees and limited to cases of extreme stress or where medical benefit seemed likely.

2. Medical Support of Applications. It was noted in several cases that further health evidence would be of considerable value in assessing the strength of applications. At present the office usually only had whatever information was 'volunteered' by the applicant, sometimes corroborated by a social worker, and more rarely by medical staff. Dr. Jones suggested that he should prepare a letter to send to fellow directors of Centres inviting their assistance. This proposal was agreed by the meeting, to be implemented by the Administrator and Dr Jones.

3. Block Grants. An application for a block grant for the benefit of a group of patients was referred back for further action by the office. As a matter of principle it was agreed that block applications would only be considered where the benefit would be applied to individually named persons registered.

4. Infected Partners. An application for registration by a once common law wife now separated from the registered partner was rejected pending further consideration (though it was agreed that in the meantime help could be given with expenses incurred and reneged by the registrant). It was

agreed that advice should be sought from the Ministry as to the original intention towards spouses and as to whether those who became infected were eligible to be registered in their own right and not solely as 'dependents'.

5. Unsecured Loans. It was agreed that subject to a form of agreement which would meet the approval of the Trust's solicitors as demonstrating Trustees' prudent care of Trust funds, applications for loans other than mortgages expenditure could in exceptional cases be considered. Such loans would have to be for specific major purchase not general expenditure and would be limited to amounts which the Trustees could consider as a grant, and which could therefore 'in extremis' be later converted to a grant.

c. Case Review

Mr Williams presented 21 cases to the Trustees for review, some of which were at this stage general enquiries not suitable for immediate decision and 3 of which concerned eligibility for registration.

Of the 18 grant applications 8 were approved, 4 rejected and 6 referred back for further examination. Grants made totaled £5095 and a loan of £6,500 was approved for purchase of a mobile home, subject to a satisfactory loan agreement to be agreed with the Trust solicitors.

89.36

MORTGAGE POLICY

A. Mortgage for Purchase Ref CHG/16-3-89

The latest version of the guide lines document produced by Mr Grinsted was reviewed.

1. 'Buying-back' facility. (Section 7K) The proposal to require repayments in amounts of not less than 10% of equity (plus multiples of 5%) at the time of repurchase was agreed.

2. Freehold/Leasehold (Section 9). The possibility of excluding all leasehold property was considered but since this could exclude most flats that might otherwise be acceptable it was decided that the option to assist with leasehold property should be retained, provided that at least 80 years unexpired lease remained.

3. Effect on Other Payments (Section 6). There was some discussion on the exact meaning of this section. In particular it was suggested that it was open to misinterpretation by the potential borrower. It was pointed out that all enquirers were recommended to discuss the document fully with a solicitor. With some reservations expressed the existing wording was accepted.

It was proposed from the Chair that subject to final amendment based on the day's discussion this document be now accepted as the working version. This was agreed unanimously.

B. Substitution Mortgage. Ref CHG16-4-89

It was agreed that this document reflected the differences required for the alternative occasion of re-mortgaging a property which was under threat of repossession. It was also noted that some of the previous discussion on purchase mortgages would have similar effect on this document. Subject to this minor amendment it was unanimously agreed that this document could be produced in a final version.

C. Widow's Property

The question was raised on whether the Trust would assist with maintaining ownership of property by widows. It was agreed that the possibility should not be excluded but that the conditions so far agreed would not be relevant. It would therefore be necessary to consider terms for this further category but it was agreed that this should for the present be regarded as a low priority.

D. General Policy

The need for a covering document recording general principles of policy towards mortgages and the current procedure for application of that policy had been agreed at the meeting on March 14th. A paper by the Administrator making general suggestions on these lines had not reached all Trustees prior to the meeting. The Chairman said that this was a useful aid to summarising previous discussion and there was some discussion on the details of procedure but it was agreed that formal decisions on the policy matters should be deferred until Trustees had had more time to consider the suggestions.

89.37 FINANCE

Draft accounts sheets for the Trust and Management Funds had been circulated and are attached as Annex B. It was pointed out that these were not presented in a complete form and the Administrator said that the Auditors were due to start work on the audit on Tuesday 23rd May and their advice had been asked on presentation.

The meeting took note of the drafts and awaited formal report from the auditors.

89.38 ADMINISTRATION

a. Auditors. The administration reported that the formal agreement with the auditors, PRIDIE BREWSTER, had now been approved by the Deputy Chairman and had been signed.

b. Nominees. It was reported that all the minor points of contention in the agreement with the Bank had now been resolved but that because of an organisation change at the Bank, devolving the nominee business to Nat West Claro a new resolution was requested giving the necessary authority. The Administrator presented a draft resolution which was subjected to some minor amendments. Subject to these the resolution was proposed by Mr Grinsted and seconded by Mr Stevens and was carried unanimously. Amended version attached as Annex C to minutes.

c. Staff The Administrator reported that with the arrival of the Assistant Social Worker whom Trustees had now met the office staff was now complete. He drew attention to the fact that office space was now full and that any future expansion would be extremely difficult.

d. Equipment The Administrator reported that the extra equipment to provide an internal computer network had now been installed. The process had involved considerable disruption and was still not entirely complete but the system was now running and the it was hoped that major 'teething problems' were now over.

e. Absence of Administrator The Administrator reminded Trustees that he would be away on holiday from 8th May returning to the office on Monday 22nd May.

89.39 INFORMATION AND PUBLIC RELATIONS

a. Newsletter The final updated draft of the Newsletter No 2 had been circulated and was approved. It was agreed that this should be printed as before, accepting any further minor delay this should cause.

b. Visits & Liaison. An updated record of recent and projected visits was presented and the meeting took note without further comment.

89.40 ANY OTHER BUSINESS

a. ANNUAL REPORT

The subject of an annual report was raised and it was agreed that this should be proceeded with as soon as possible. The Administrator was charged with production of a draft, with the following components suggested

Chairman's Statement
Review of Activities
Trustees' Report
Accounts

The Administrator requested that the purpose of the annual report should be considered so that the readership and circulation could be clearly defined. There was some discussion on this point but final agreement was not reached.

b. There was no further business.

89.41 DATE AND PLACE OF NEXT MEETING

No modifications were made to the previously agreed schedule for 1989:

Thursday June 22nd
Thursday July 27th
Thursday September 28th
Monday November 20th

All at alliance House starting at 11.00 am.

22nd June 1989

GRO-C

Rev. Alan Tanner
Chairman

MACFARLANE TRUST

Summary of Grants Made

30th April 1989

A Single Payments

	No	Total	Amount	Overall
January to March	84		25,671	
April 1988	25	109	8,812	34,483
May	21	130	11,611	46,094
June	59	189	23,627	69,721
July	37	226	19,733	89,454
August	43	269	25,533	112,987
September	23	292	14,835	127,822
October	68	360	39,663	167,485
November	108	468	65,498	232,983
December	130	598	78,550	311,533
January 1989	92	690	47,636	359,169
February	131	821	67,392	426,561
March	114	935	70,348	496,909
April	145	1080	82,182	579,091

B Regular Payments

	No	Initial	Ongoing	Total	Overall
November	126	150,380		150,380	
December	122	137,220		137,220	287,600
January	56	68,380	18,384	86,764	374,364
February	29	39,636	21,764	61,400	435,764
March	71	99,511	29,215	128,726	564,490
April	27	43,390	25,592	68,982	633,472

Overall total paid out £1,202,563

Commitment to Regular Payments £8,244 per week

£428,688 p.a.

Macfarlane Trust Management Account
Draft Accounts for Financial Year 1988-89

Expenditure

<u>Salaries/Fees/Services</u>			58,786
<u>Salaries</u>			
	Net	28,638	
	NI/Superannuation	2,508	
	Recruitment et	3,948	
			35,094
<u>Fees</u>			
	Investment Manager	8,790	
	Solicitors	6,405	
	Auditors	385	
	Bank	77	
	Other	930	
			16,587
<u>Expenses</u>			
	Travel	6,743	
	Entertainment	362	
			7,105
<u>Premises</u>			19,579
	Premium	10,458	
	Rent	7,045	
	Rates	1,704	
	Services/Misc	372	
			19,579
<u>General Office Costs</u>			31,487
<u>Stationery & Printing</u>			
	General stationery	3,176	
	Printing	2,870	
	Books	70	
			6,116
<u>Post & Telephone</u>			
	Postage	2,537	
	Telephones	2,268	
			4,805
<u>Furniture & Equipment</u>			
	Furniture	3,272	
	Equipment	16,509	
			19,781
<u>Miscellaneous</u>		785	785

			£109,852
<u>Income</u>			100,000
from DHSS Section 64 Grant			9,852
Balance due from Trust Fund			-----
			£109.852

(bank reconciliation discrepancy of 26p to be discovered at
Audit)

B1.

Macfarlane Trust - Main Account

1st Draft Balance Sheet for Financial Year 1988-89

Expenditure

Grants	495,696	
Regular Payments	564,410	
Management (per statement)	109,852	
charges not transferred	36	
		1,169,994

Income

Money Market	325,459	
Deposit a/c Interest	4,010	
from Capital Account	236,250	
DHSS Sect 64 Grant	100,000	
		665,719

Excess of Expenditure over Income £504,275

Assets

Initial - Govt. Grant	2,000,000	
Haem. Soc	1,000	
		2,000,100

Balances at 31 Mar.		
Invested	1,500,000	
Bank Statement	22,649	
	1,522,649	
Less o/s cheques	29,477	
		1,493,172

Capital Expenditure £506,928

All Bank Statements, Cheque counterfoils and Cash Book entries have been verified as ready for audit.

The discrepancy of ca £2,000 is therefore probably in the ledger entries which are being examined before submission to audit.

Macfarlane Trust - Capital Account at 31 Mar 1989

Managed by MANEX from 24 May 1988

Capital

Original Capital	8,000,000
Current Portfolio Valuation	
a on Cost Basis	8,181,802
b market values	7,940,156

Details of Portfolio appended.

Yield

Dividend received to 31 Mar 89	236,250
Tax rebate due on above	70,568
Interest element of cash holding	101,172
(would have to be deducted from capital)	-----
	E 407,990

This is a highly simplistic presentation and the advice of both the Managers and the Auditors is needed for formal presentation of this account.

B4.

MACFARLANE TRUSTPORTFOLIO SUMMARY at 31st March 1989

Name of Stock	Holding	Div Dates	1/2 yr amount gross "	net	Latest paid
11 3/4 Treasury 1991	1,500,000	Jan/Jul	88,125.00	66,093.75	Jan 89 net
10 1/2 Treas Conv 1992	500,000	Nov/May	23,250.00	19,687.50	Nov 88 net
13 1/4 Excheq 1996	2,200,000	Nov/May	145,750.00	190,312.50	Due May 89
15 Excheq 1997	1,500,000	Apr/Oct	112,500.00	84,375.00	Oct 88 Net
Stocks Total (Nominal)	5,700,000				
Valuation at Cost	6,755,698				
Valuation at 31 Mar 89	6,514,153				
Cash holdings at 31 Mar 89 (1)	1,426,103				

Total value at Cost	8,181,802				
at Sale	7,940,156				
Original Capital	8,000,000				

Note (1) Includes a sum of £101,172 representing 'rolled up' interest.

At a meeting of the Trustees on Tuesday 2nd May 1989 it was
RESOLVED that the Trustees of the Macfarlane Trust hereby
ratify and confirm the holding by NatWest Claro nominees
Limited of Stocks and Shares as described in a Nominee Service
Agreement date in the name of National Westminster
Bank Plc on behalf of the Trustees of the MacFarlane Trust.

FURTHER RESOLVED that National Westminster Bank PLC and/or
NatWest Claro Nominees Limited be authorised to hold on behalf
of the Trustees of the MacFarlane Trust such Stocks and Shares
as the Trustees of the Trust may acquire and decide shall be so
held and that the signatures of any two of the Trustees for the
time being of the Trust shall be full and sufficient authority
to National Westminster Bank PLC and/or NatWest Claro Nominees
Limited to purchase, sell, transfer or otherwise deal with such
Stocks. —

FURTHER RESOLVED that NatWest Claro Nominees Limited and/or
National Westminster Bank PLC shall not be, and shall not be
regarded as Trustees of The MacFarlane Trust. —