

## **BEST AGM Meeting**

6 December 2022, 11:00am-12:00pm  
BEST House, Conference Room

**Attendees:** Ilona Bond (IB), Ian Morfett (IM), Paul Walker (PW), Alan Lee (AL), Claire Mycock (CM), David Morgan (DM), Jerry Tonge (JT), Craig Smith (CS), Nafia Baust (NB) & Alison Wilshaw (AW)

**Apologies:** Tony Sanderson, Peter Little and Martin Petts

**Chair:** Ilona Bond

**Governance Professional:** Yvonne Humphries

**Declarations of Interest:** None

### **Previous Minutes**

**Pre-read:** BEST Members' Meeting Minutes 4 October 2022 distributed prior to the meeting.

**Decision:** Members checked and unanimously approved the Members' Meeting Minutes dated 4 October 2022 – electronic signatures to be applied.

### **Presentation of BEST Financial Accounts**

The BEST Finance and Audit Committee met with the auditors, Bishop Fleming (BF), on 15 November 2022 to review and discuss the end of year accounts relating to September 2021 to August 2022. Following which, commentary has been included in regards to re-evaluations and adjustments to create a clearer picture:

- An in-year surplus of £1.3 million
- Value of £107 million
- £8 million cash
- Clean accounts for each of the three entities
- 1 green risk point identified and addressed in the MAT. 1 green and 3 amber risk points identified and address in the Subsidiary.

**Charity:** The Charity entity includes responsibility for BEST House; BEST House made a positive return. The remaining £28,000 service charge debt from the nurseries will be repaid to the Charity by the end of this year. This leaves the short term loan of £50,000 left to be repaid.

**Nurseries:** BEST Central Executive have worked hard with the nurseries – the debt will be reduced this year to only the short term and the nurseries are profitable with a positive net worth of £67,000 profit.

**Member Question:** How have you found the audit process this year?

**Answer:** Timings have been an issue with the final set of accounts being received with less than 24 hours' notice – BEST will feedback about their disappointment with BF's lateness.

BF completed the accounts in line with DfE guidance/minimum requirements – however, Trustees' were disappointed with the lack of commentary and the lack of clarity this created.

**Member Comment:** Good to see the nurseries have turned things around with in-year reserves.

**Member Question:** Interested to know how re-evaluation accounts for £24 out of £25 million?

**Answer:** Last year there was a large sum capital donation in relation to Pix Brook Academy buildings.

**Member Question:** How big are energy cost and Teachers' Pay pressures for BEST?

**Answer:** We budgeted well for Teachers' pay awards with the only revision relating to leadership scales, increasing from 3 to 5%. However, the support staff pay award 'up to 10%' was higher than expected but DfE advise the supplementary grant should cover the increased costs.

We budgeted a 50% increase in energy costs – the actual rates are not yet known as we buy into a local government rate that is currently being reviewed (expired October 2022). Education will be receiving an additional 2 billion pounds for April-August 2023; the methodology to understand how much our schools will receive is not yet known. Hoping the impact will be minimal but smaller schools may suffer.

**Member Question:** When schools suffer, what happens?

**Answer:** Schools currently have sufficient reserves.

AGM attendees discussed building reserves, without earmarking them, to support during higher risk times.

AGM attendees discussed the Harper v Brazel court ruling in regards to holiday pay for casual staff and how this may impact BEST. Data is currently being gathered – NB feels the cost is unlikely to exceed £200,000.

With the exception of 2Tier, most financial risks are out of BEST's control and will affect the whole sector nationally.

**Decision:** Members present unanimously agreed that they are happy with the 2021/22 end of year accounts and support the BEST Board of Trustees' decision to formally adopt the accounts.

*J. Bond*

Approved and electronically signed 24/01/23