

ALMOND ENTERPRISES LTD

MINUTES

of the virtual Board meeting held at 5.00pm on Thursday 16th February 2023

BOARD MEMBERS IN ATTENDANCE:

Alistair Barton
Ian Crawford
Sheelagh Norris
Tatyana Duffie
Kevin Clark

APOLOGIES:

IN ATTENDANCE:

Vicky Wilson	AEL Manager
John Davidson	Chief Executive, AHA
Iona Taylor	Director of Asset Management, AHA

OTHERS IN ATTENDANCE

Please note that these minutes have been edited to remove any commercially sensitive or confidential discussions.

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STANDING ITEMS


706.	Welcome AB welcomed everyone to the meeting.
707.	Apologies None
708.	Approval of Previous Minutes The Board approved the minutes of the meeting held on 7 th October 2022.
709.	AOCB <ul style="list-style-type: none">a) Cost of living 'one-off' payment – see item 715bb) HMRC – missed payment – see item 722ac) Potential loss – see item 722b
710.	Declaration of Interest None.
711.	Matters Arising None
712.	Manager's Report <p>VW presented her report and informed the Board that the Parkways Estate Maintenance contract ends in September 2023. They are looking to sell their investment by then if they get a good offer. If not, they will look to continue with AEL, depending on costs. A proposed new contract will be provided while we await their decision. AEL will conduct an annual survey with Parkways residents in March 2023.</p> <p>At the last Board meeting VW was asked to review a product called 'Simple Simon' which is linked to SAGE. This has now been done and the conclusion is that while it has an equivalent cost to the preferred system Job Logic, it is less efficient. Job Logic continues to be the preferred system for what it offers and the cost.</p> <p>With regards to Business Development VW advised that various building companies were targeted with AEL's cleaning offer. Most have contractors in place but advised they would keep AEL's details on file.</p> <p>VW advised that HomeAid are now taking some of the items from house clears to support people in need and AEL have agreed to work with a scrap contractor who will uplift white goods [REDACTED]</p> <p>VW advised that Scotwaste has again increased its itemised costs on top of its costs for the weight of loads. An analysis had been carried out on the estimated increase in costs to AEL and passed on to AHA through various contract increases. This will be included in the 2023/24 annual budget. An additional analysis was carried out for attending Cireco and the cost has increased for this also.</p> <p>VW advised that the handyman service is going well and income is currently in line with what was anticipated in the budget for this new work.</p> <p>With regards to vehicle repair costs VW established after an in-depth analysis that the increase of repairs is age related, and the likelihood of similar repairs will not re-occur for another few years. Going forward she advised that AEL need a plan in place to assess profitability from costing uplifts etc. and to look at buying and making all trucks last until 50k miles or more.</p> <p>The Board noted the Manager's report.</p>

PRESENTATIONS

713.	None.
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PAPERS for APPROVAL

714.	<p>Business Plan Final Draft 2023-24</p> <p>The final draft of the Business Plan, with the detailed Action Plan, was submitted. Following review, the Board approved the Business Plan and agreed that it be submitted to the AHA Board.</p>
715.	<p>a) Annual pay award 2023/24</p> <p>A paper with options for the annual pay award had been circulated. [REDACTED]</p> <p>[REDACTED]</p> <p>The Board approved the recommended increase for Operatives and Supervisors.</p> <p>b) Cost of living payment 2022/23</p> <p>Following on from the discussion at the previous meeting regarding businesses awarding 'cost of living' payments to employees to help them cope with the current 'cost of living' crisis, the Board approved a 'one-off' payment in the current year of £500 for full-time staff (35 hours per week), pro-rata for average hours worked over the last 8 months. The estimated cost would be £4,545 which was within the projected surplus for this year.</p>
716.	<p>Draft Budget 2023-24</p> <p>The draft budget for 2023/24 and projections for the following two years, with a paper detailing the key assumptions on which the budget is based was submitted. It was noted that following on from the previous item the draft budget would be updated for the cost of living payment.</p> <p>Due to increases in costs and other factors detailed, the forecast surplus was much lower than in previous years, at £1,439. [REDACTED]</p> <p>[REDACTED]</p> <p>The Board reviewed the draft budget and key assumptions, approved the budget with any final amendments required, and agreed that it be added to the Business Plan for 2023/24.</p>
717.	<p>Risk Register: Annual Review</p> <p>VW presented the report, which proposed that the score and some of the text for risks numbers 2 and 5 be changed due to losing part of the AHA office clean, possibly losing the Parkways contract, and recognising there are no formal contracts with WLC and AEL's employment conditions are not competitive in comparison with other companies. Recruiting for staff was proving challenging due to the labour market being buoyant and other companies offering better benefits.</p> <p>The Board approved the changes in the latest version of the Risk Register.</p> <p>IC proposed that a new financial risk be added due to the uncertainty in the Bank of England predictions of inflation coming down in the coming years. This would be reviewed at the next meeting.</p>
FOR INFORMATION	
718.	<p>Finance Report and management accounts to December 2022</p> <p>The report for the 9 months showed a trading profit of £35,862.56 compared against a reforecast profit for the period of £34,921.89.</p> <p>Income is 1.1% less than forecast. This is due to reduced income for Estate Management services £1.7k, Void LED Bulb replacements £(1.3k), Winter Checks £(1.1k) and Garden Maintenance and Tumble Dryers £1.7k.</p>

	<p>The gross profit percentage is 44.81% compared with a budget of 45.26%</p> <p>A review of overhead costs has resulted in a positive variance against budget of £3.5k. Most of this variance is due to delay in uniform purchases and delay in scheduling software purchase.</p> <p>Under the 'Teckal' arrangements, there was the potential to earn additional third-party (non-AHA) income of £17,876.</p> <p>The Board noted the financial position as at December 2022.</p>
719.	<p>Business Plan 2022/23 – Action Plan update</p> <p>The Action Plan update was presented to the Board who had no queries or questions.</p> <p>The Board noted the Action Plan update.</p>
720.	<p>Performance Report</p> <p>VW informed the Board that there were invoices still outstanding from WLC. However a new contact has been established and invoices are now being processed. It was also noted that staff absence had increased due to sickness and recent viruses.</p> <p>The Board noted the report.</p>
721.	<p>Board Members – items for future meetings</p> <p>AB advised that at the May meeting the Office Bearers for the next year would be appointed. His 3-year term as Chair was coming to an end and he would not be standing again for election. JD outlined the process of applying for the roles and asked anyone interested in standing as Chair or Secretary to contact him for an initial discussion.</p>
722.	<p>AOB</p> <p>a) VW reported that an HMRC letter dated 2nd November had been received advising of a missed payment and interest charges. This was a future dated payment on bank line that was missed at the authorisation stage. This was unfortunately not picked up at the time and was only highlighted once the letter was received from HMRC. The missed payment will have to be disclosed at the year end to the Auditors, as it will be noted within the year-end report.</p> <p>b) </p> <p>On their return, this person asked to return to being on a sessional contract. All avenues of retrieving this money had been investigated to reduce the risk of loss. Solutions had been proposed to the staff member and agreed.</p>
723.	<p>Date of Next Meeting:</p> <ul style="list-style-type: none"> Thursday 18th May 2023 at 6.00pm, at the AHA office. <p>Future meetings: 24 August 16 November 15 February 2024</p>