Vice-Chair Finance and Risk AGM REPORT

ANNUAL GENERAL MEETING 2024

OVERVIEW

This report presents an overview of BELMAS financial affairs and reports on the Society's financial position for the financial year ending 31 December 2023 to the Annual General Meeting. This includes reporting on events that have occurred which have had an impact on the financial position and reporting on events that are known to the Board of Trustees which have or are likely to have an effect on the Society and its operation over the coming financial year.

FINANCIAL POSITION AT YEAR END 2023

BELMAS financial statements for the year 1st January 2023 to 31st December 2023 were compiled by our appointed auditor Hawsons Chartered Accountants and are available in advance of the AGM for review. The auditor is of the opinion that BELMAS financial statements give a true and fair reflection of the state of our financial affairs and are in accordance with relevant accounting practice and charity legislation.

Income	338,899
Expenditure	304,201
Net movement	34,698
Funds brought forward (from 2022)	402,716
Reserves carried forward to 2023	**437,414**

The audit reports that BELMAS ended the 2023 financial year with funds of £437,414, with an operating surplus of £34,698 for the 2023 financial year. This position take us to approximately £18,000 above our free reserves for 2024 (as set by our reserves policy at 12 months standard operating costs) with the Board continuing to monitor reserves against the Risk Register and BELMAS agreed strategy objectives.

ASPECTS TO NOTE

Annual Conference

It is pleasing to report that conference 2023 had a £4,320 overspend to the agreed budget, with 124 tickets sold to a target of 140 which represents a 96% reduction of the 2022 conference overspend. Several withdrawals resulted in the slight overall deficit with time spent on revision planning. This was explored with procedures refined to reduce the likelihood of future withdrawals. Overall, our financial sustainability includes a move towards a self-sufficient conference model in line with membership preferences, operational efficiencies, our VAT status, and forecast income streams.

Banking Processes

Following on from issues we had in 2022 due to changes to 'Know your customer' (KYC) anti-fraud money laundering legislation across the finance and banking sector, considerable effort by the office team has been discharged to ensure we are fully compliant. However, there have been some further issues with our banking provider which have resulted in BELMAS making formal complaints to the bank and to the financial ombudsman due to repeatedly cumbersome and unnecessary Trustee ID check processes, which were upheld. Our banking provision review was paused due to our conversion to CIO status and this work will now continue in 2024 with a view to diversify our banking provision and working with charity-friendly institutions.

Strategic Development 2023-2026

In line with our strategic priority for financial sustainability, we continue to review our financial policies, procedures and reporting processes, with a move to 3-year budget planning planned for 2024 to align with our strategic plan. We continue to ensure we have wholly accurate and transparent financial information presented at timely intervals to the Board of Trustees as well as risk analysis and mitigation via our Risk Register monitoring. To support this, the Finance Committee formed in 2023 has since had further refinement to become the Finance & Risk Committee to support the board with detailed ongoing work around financial sustainability and risk mitigation.

Surplus Free Reserves

Given cautious budgeting and adjusted income for 2023 resulting in a surplus to carry forward into 2024, current forecasts indicate an approximate surplus to free reserves of £18,000 within the 2024 financial year. A portion of this surplus has already been earmarked for strategic priorities (e.g. international exchange, the website redevelopment project, final costs associated with conversion to CIO). Overall, the Board are committed to remaining within the approved reserves policy and are reviewing any excess reserves to ensure they are targeted to support BELMAS charitable activities and agreed strategic objectives as per the BELMAS strategic plan 2023-2026.

Trustees Expenses

As discussed with our Auditor, we are confident that our trustee expenses are appropriate given the nature of the Society's work and our international focus. We are accounting for trustee's conference expenses correctly, ensuring any specific conferences or overseas trips are fully in line with our strategy and planned partnership objectives, with clear links to our development as a society and impact reports presented to the board after each visit. The Board have also introduced new policies around international conference visits and editorial board expenses to highlight maximum spend which is closely monitored.

CLOSING REMARKS

The BELMAS Board of Trustees are aware of the ongoing financial risks facing the Society and the Board maintains a cautious but dynamic view regarding income forecasts and planned expenditure as it closely monitors the financial position. As the current journal publication contract ends in 2026, BELMAS will seek to maintain and develop this core income stream alongside strategic objectives to grow the membership and maintain financially sustainability.

Dr Fiona Creaby | BELMAS Vice-Chair (Finance & Risk)