

LLWYDCOED CREMATORIUM JOINT COMMITTEE

20th September 2016

REPORT OF THE TREASURER

1.0 PURPOSE OF THE REPORT

1.1 This report is intended to ensure that the Joint Committee complies with its legal requirements relating to the production of a Annual Return for the Year Ended 31st March 2016 and to provide Members with an update on the 2016/17 Budget Monitoring position.

2.0 RECOMMENDATIONS

2.1 It is recommended that members approve and note:

(a) the Annual Return for the Year Ended 31st March 2016 (Appendix 1)

(b) the 2016/17 Budget Monitoring update (Appendix 2)

(c) it is also requested that the Chair of the joint Committee re-signs the Approval and Certification section of the Annual Return for the Year Ended 31st March 2016.

3.0 BACKGROUND

3.1 Annual Return for the Year Ended 31st March 2016

3.1.1 The draft Annual Return for the Year Ended 31st March 2016 was presented to the Joint Committee on 22nd July 2016 prior to the independent audit by the Wales Audit Office.

3.1.2 As part of the audit review process it was identified in the draft Annual Return presented to the Joint Committee on 22nd July 2016 there was a transposition error in the Accounting statements 2015/16 - Line 8 Debtors and stock balances for the year ending 31st March 2015.

3.1.3 The figure was shown as £74,709 but should have been £74,079. No other entries in the Annual Return were affected by this transposition error.

3.1.4 No material amendments have been identified as part of the audit review process and the amended Annual Return for the Year Ended 31st March 2016 is shown (Appendix1) to take account of the transposition error identified above.

3.1.5 The level of closing General Reserves held by the Joint Committee decreased to £809,778 (from £1,479,506 at the year ended 31st March 2015), as reported in the draft Annual Return.

3.2 2016/17 Budget Monitoring Report

3.2.1 The Budget Monitoring Report provides a comparison of actual and projected expenditure and income against the approved budget for the first five months of 2016/17 financial year. This is shown in the attached Appendix 2.

3.2.2 The Joint Committee on 22nd March 2016 approved a revenue budget for 2016/17, which projected a net contribution to reserves of £432,740.

3.2.3 Projected expenditure for 2016/17 totals £426,103 against a budget of £438,840 – an under spend of £12,738.

3.2.4 The main expenditure variance is as follows: -

- Supplies & Services £10,515 underspend. This is mainly due to Audit Fees projected to be £5.5k less than budget, along with other, general under spends offset by an increase in Medical Expenses resulting from an increase in the projected number of Cremations for the year.

3.2.5 Projected income for 2016/17 totals £938,876 against a budget of £868,080 showing a surplus of income of £70,796. This is based on the best estimates of the number of cremations to the year-end and will continue to be monitored closely.

3.2.6 Capital expenditure of £223,559 has been incurred to the end of August in relation the replacement of the cremators.

3.2.7 Summary position for 2016-17

	£
General Reserves brought forward 1st April 2015	1,479,506
Net revenue charge to reserves in 2015-16	<u>(669,728)</u>
General Reserves carried forward 31st March 2016	809,778
Projected Net Revenue contribution to reserves in 2016/17	<u>292,715</u>
Projected General Reserves 31st March 2017	1,102,493

3.2.8 Appendix 2 shows that during 2016-17 the balance brought forward of **£809,778** is anticipated to increase by **£516,274** from a surplus on revenue, offset by Capital expenditure incurred to date of **£223,559**, taking the projected reserves available as at 31st March 2016 to **£1,102,493**.

4.0 SUMMARY

4.1 The level of reserves will be dependent upon the 2016-17 final revenue position and any further capital expenditure required as part of the ongoing delivery of the service. This will be monitored closely as part of the Budget Monitoring process and reported to the Joint Committee at appropriate intervals.

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

20th September 2016

Report of the Treasurer to Llwydcoed Crematorium

LIST OF BACKGROUND PAPERS

Ref:

Contact Officer

Item 1 – Annual Return for the Year Ended
31st March 2016

Steve Preddy / Gareth Gates
(01443 680518)

Item 2 – Budget Monitoring Report 2016/17

Steve Preddy / Gareth Gates
(01443 680518)