

Report

Greater Gwent Crematorium Joint Committee

Part 1

Date: Monday 12th October 2020

Subject Draft Accounts Report 2019/20

Purpose To approve the draft accounts for 2019/20, prior to audit

Author Joanne Hazlewood

Ward General

Summary The Committee is required to approve the annual return prior to External Audit completing their audit.

-If there are no amendments required, no further action is required by the Committee
-If there are amendments, External Audit will report to Committee requesting amendment of the annual return, and will require re-approval, at a formal meeting, and a signature by the Chair of the Committee.

Appendix:

Appendix 1 Annual Return 2019/20
Appendix 2 Summary out-turn analysis

Proposal

1. Members are asked to receive and approve the draft accounts position
2. Members are asked to approve the remaining 20% distribution to constituent authorities
3. Chair of Committee to provide electronic signature on annual return statement

Action by Head of Finance

Timetable Draft annual return to be approved by Committee, prior to Audit.

This report was prepared after consultation with:

- Head of Finance

Signed

Background

Context

At the last Committee meeting held in November, the projected out-turn was £44k in deficit. This was mainly due to the downfall in income levels, and the increasing premises related costs, due to essential cremator repairs/maintenance. As a result of this report, the Committee agreed to withhold 20% of the budgeted distribution, until year end out-turn had been finalised, to establish the required draw on reserves, if necessary.

The draft out-turn position, is showing a surplus of £137,929, and the variance analysis shown in Appendix 2, highlights that the reason for this was increased income levels. This was only slightly offset by additional utilities costs.

Risks

n/a

Links to Council Policies and Priorities

The overall aim of the recommendation is to ensure that reserve levels can continue to support the delivery of the Cremation service, and protect the financial health of the Committee.

Options Available and considered

The out-turn position shows that the surplus will cover the remaining 20% distribution, and will increase balances by £137,929, to a total of £1,374,275 going forward into 20/21.

The Committee has the following options available:

- a) Approve the remaining distribution of 20% (£190,000) to Constituent Authorities, and the increase to balances of £137,929
- b) Agree an additional distribution of the surplus £137,929

Preferred Option and Why

The preferred option is to pay the remaining 20% distribution, and increase the balances held by the Committee, to enable the programme of essential works to be undertaken in 20/21.

Comments of Chief Financial Officer

The surplus has exceeded budget requirements and therefore the distribution to Councils will be made in line with the budget target. This means that the 20% balance held back will now be paid to constituent Councils.

The reserves are at a very healthy amount and it is recommended that the Committee ensures that the essential developments required to improve 'the offer' is implemented as soon as possible and paid from

this. Increased local competition from other crematoriums requires the offer here to be as good as it can be to maintain business levels.

Comments of Monitoring Officer

The Monitoring Officer has approved the report for consideration by Committee.

Comments of Head of People and Business Change

There are no HR or People and Business Change related matters arising from this report.

Comments of Cabinet Member

The Cabinet Member is has approved the report and supports the preferred option as outlined in the report

Scrutiny Committees

n/a

Equalities Impact Assessment and the Equalities Act 2010

n/a

Children and Families (Wales) Measure

n/a

Wellbeing of Future Generations (Wales) Act 2015

n/a

Crime and Disorder Act 1998

n/a

APPENDIX 1 – Accounting statements 2019-20

Name of body: **GWENT CREMATION COMMITTEE**

	Year ending		Notes and guidance for compilers
	31 March 2019 (£)	31 March 2020 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	2,512,485	1,236,346	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	0	0	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	1,777,108	2,052,561	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	309,549	321,349	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg. termination costs.
5. (-) Loan interest/capital repayments	5,000	5,000	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	2,738,698	1,588,283	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	1,236,346	1,374,275	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors and stock balances	108,723	253,545	Income and expenditure accounts only: Enter the value of debts owed to the body and stock balances held at the year-end.
9. (+) Total cash and investments	1,675,672	1,261,449	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	548,050	140,719	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	1,236,346	1,374,275	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	2,307,326	2,307,326	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	478,445	425,284	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and for the preparation of the Annual Governance Statement.

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Committee and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2020.</p>	<p>Approval by the Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
	<p>Date of meeting: 12/10/2020</p> <p>Minute reference:</p>
RFO signature:	Chair of meeting signature:
Name: Meirion Rushworth	Name:
Date: 12/10/2020	Date: 12/10/2020

Committee re-approval and re-certification (only required if the annual return has been amended at audit)

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2020.</p>	<p>Approval by the Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
RFO signature:	Chair of meeting signature:
Name: Meirion Rushworth	Name:
Date:	Date:

