

**CYNGOR BWRDEISTREF SIROL
RHONDDA CYNON TAF
COUNTY BOROUGH COUNCIL**

**CYNGOR BWRDEISTREF SIROL
RHONDDA CYNON TAF**

GWŶS I GYFARFOD PWYLLGOR

Mr C. B. Jones
Cyngor Bwrdeistref Sirol Rhondda Cynon Taf
Y Pafiliynau
Parc Hen Lofa'r Cambrian
Cwm Clydach CF40 2XX

Rhif Ffôn: Marc Jones - Democratic Services Officer (01443 424102)

Bydd **Cydbwyllgor Amlogsgfa Llwydcoed** yn cynnal cyfarfod yn
**Civic Offices, Merthyr Tydfil County Borough Council, Merthyr Tydfil ar DYDD
MAWRTH, 19EG MEHEFIN, 2018 at 2.00 PM.**

AGENDA

Tudalennau

1. DATGAN BUDDIANT

*Derbyn datganiadau o fuddiannau personol gan Aelodau yn unol â'r Côd
Ymddygiad*

Nodwch:

1. Mae gofyn i Aelodau ddatgan rhif a phwnc yr agendwm y mae eu buddiant yn ymwneud ag e, a mynegi natur y buddiant personol hwnnw; a
2. Lle bo Aelodau'n ymneilltuo o'r cyfarfod o ganlyniad i ddatgelu buddiant personol sy'n rhagfarnu, **rhaid** iddyn nhw roi gwybod i'r Cadeirydd pan fyddan nhw'n gadael.

2. ETHOL CADEIRYDD

**Ethol Cadeirydd i Gydbwyllgor Amlogsgfa Llwydcoed ar gyfer y
Flwyddyn Ariannol 2018-2019**

3. ETHOL IS-GADEIRYDD

**Ethol Is-gadeirydd i Gydbwyllgor Amlogsgfa Llwydcoed ar gyfer y
Flwyddyn Ariannol 2018-2019**

4. COFNODION

Cadarnhau cofnodion o gyfarfod Cydbwyllgor Amlogfa Llwydcoed a gynhaliwyd ar 20 Mawrth 2018 yn rhai cywir

3 - 6

5. FFURFLEN FLYNYDDOL (DRAFFT) AR GYFER Y FLWYDDYN SY'N DOD I BEN 31 MAWRTH 2018 (YN AMODOL AR ARCHWILIAD)

Trafod adroddiad y Trysorydd.

7 - 30

6. YSTADEGAU A CHYFLAWNIAD

Trafod adroddiad Rheolwr y Gwasanaethau Profedigaethau

31 - 32

7. YMWELD AG AMLOSGFA LLWYDCOED

I dderbyn adborth gan yr Aelodau yn dilyn eu hymweliad ag Amlogfa Llwydcoed

8. BUSNES BRYS

Trafod unrhyw faterion sydd, yn ôl doethineb y Cadeirydd, yn faterion brys yng ngoleuni amgylchiadau arbennig

Cyfarwyddwr y Gwasanaethau Cyfreithiol a Llywodraethol

Cylchrediad: -

Aelodau o Gydbwyllgor Amlogfa Llwydcoed:-

Cynrychioli Cyngor Bwrdeistref Sirol Merthyr Tudful

Councillor M Colbran, Councillor J Thomas, Councillor D Isaac and Councillor D Chaplin

Cynrychioli Cyngor Bwrdeistref Sirol Rhondda Cynon Taf

Y Cynghorydd A Fox, Y Cynghorydd H Boggis, Councillor K Morgan, Y Cynghorydd G Jones and Y Cynghorydd A Crimmings

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MERTHYR TYDFIL COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

Minutes of the meeting of the Llwydcoed Crematorium Joint Committee held at the Civic Offices of Merthyr Tydfil County Borough Council, Merthyr Tydfil on Tuesday, 20th March 2018 commencing at 2.00 p.m.

PRESENT

Merthyr Tydfil County Borough Councillors

M. Colbran, J. Thomas, D. Isaac and D. Chaplin

Rhondda Cynon Taf County Borough Councillors

H. Boggis, (Mrs) A. Crimmings, A. S. Fox and G. Jones

Officers in Attendance

Ms. J. Lewis – Bereavement Services Manager

Mr. S. Preddy – Group Accountant, Community Services

Mrs. L. Coughlan – Solicitor

17 APOLOGIES FOR ABSENCE

Apologies for absence were received from County Borough Councillor K. Morgan (Rhondda Cynon Taf County Borough Council).

18 DECLARATION OF INTERESTS

There were no declarations of interests in matters pertaining to the agenda.

19 MINUTES

RESOLVED to approve as an accurate record, the minutes of the meeting of the Llwydcoed Crematorium Joint Committee held on 12th December 2017.

REPORT OF THE BEREAVEMENT SERVICES MANAGER

- 20** The Assistant Cemetery Manager provided Members with an overview of the recently agreed memorandum of understanding regarding the approach to adopt a fair and consistent approach Wales, to the fees charged by local Government for the burial and cremation fees of children up to the age of 18 years.

Following consideration of the report, it was **RESOLVED** –

- (1) That the Joint Committee formally adopts the implementation of the Memorandum of Understanding, with regard to a fair consistent approach

across Wales, to the fees charged by local Government for the burial and cremation of children up to the age of 18 years.

(2) That this be implemented from the 18th January 2018.

21 STATISTICS

The Assistant Cemetery Manager provided Members with Statistics and Performance figures relating to the operation of the Crematorium since the last meeting and following consideration thereof, it was **RESOLVED** to note the information.

REPORT OF DIRECTOR PUBLIC HEALTH, PROTECTION & COMMUNITY SERVICES

22 CREMATION & SUPPLEMENTARY FEES AND CHARGES 2018-19

In the absence of the Director, Public Health, Protection & Community Services, the Assistant Cemetery Manager presented the report setting out details of the proposed fees and charges for 2018/19.

It was proposed to apply an increase to cremation and all supplementary fees and charges by 2.95%. A comparison of existing and proposed fees was provided.

Members noted that it was not possible at present to ascertain the 2018-19 fee increases being proposed by other local authorities in Wales, however, the fee increases being proposed were considered to be reasonable and, if approved, would maintain a comparable position with other local authorities.

Members discussed the recommendation outlined in the report to implement a 12-month pilot scheme in respect of bereavement fees for armed forces veterans. Following discussions, Members agreed to defer the recommendation as members wished to discuss this with the Cabinet at Merthyr County Borough Council before a decision for the Joint Committee could be endorsed.

Following consideration of the report, it was **RESOLVED** –

- (1) That the Joint Committee approve the revised levels for cremation and all supplementary fees and charges.
- (2) That the implementation of a 12 month pilot scheme in respect of bereavement fees for armed forces veterans be deferred to the next meeting of the Joint Committee and following discussions with the Cabinet at Merthyr County Borough Council.

REPORT OF THE CLERK

23 CALENDAR OF MEETINGS

Members were asked to consider the proposed calendar of quarterly meetings for the Joint Committee for the 2018-19 municipal year.

Members noted that it was proposed to hold each of the meetings at the Civic Offices of Merthyr Tydfil County Borough Council.

A Member raised a query with Officers as to whether future meetings could take place at Llwydcoed Crematorium. In response, the Member was informed this would be reviewed in the future.

Following a discussion, it was **RESOLVED** to agree the calendar of meetings for the 2018-19 municipal year.

REPORT OF THE TREASURER

24 BUDGET MONITORING REPORT FOR 2017-18 AND DRAFT REVENUE ESTIMATES FOR 2018-19

The Group Accountant, Community Services presented the report, which provided Members with an update on the 2017/18 Budget Monitoring position and the Draft Revenue Estimates for 2018/19.

Following consideration of the report, it was **RESOLVED** –

(1) To note the 2017-18 Budget Monitoring position.

(2) To approve the draft Revenue Estimates for 2018-19.

25 OTHER BUSINESS

With the permission of the Chairman, a Member raised a query with Officers as to whether any further works would be carried out at Llwydcoed Crematorium with regard to the previous ancillary remedial works.

In response, the Member was informed that the work is considered complete, however, this would be addressed in the future.

Members asked would it be possible for a visit to be arranged for Members of the Committee to visit Llwydcoed Crematorium and the memorial garden. Following discussions, it was agreed that arrangements be made for Members of the Committee to visit the site sometime in the near future.

**D.ISAAC
CHAIRMAN**

The meeting terminated at 14.16 p.m.

Mae'r ddogfen yma ar gael yn y Gymraeg / This document is available in Welsh

Tudalen wag

LLWYDCOED CREMATORIUM JOINT COMMITTEE

19th June 2018

REPORT OF THE TREASURER

MATTERS REPORTED FOR DECISION

DRAFT ANNUAL RETURN FOR THE YEAR ENDED 31 MARCH 2018 (SUBJECT TO AUDIT)

1. PURPOSE OF REPORT

- 1.1 This report provides Members with the unaudited Annual Return for the Year Ended 31 March 2018 and the Internal Audit Final Report Llwydcoed Crematorium issued 25th September 2017.

2. RECOMMENDATIONS

2.1 It is recommended:

- That members note the report.
- That members note the unaudited Annual Return for the year ended 31st March 2018 as presented. (Appendix 1)
- That the Chair of the Joint Committee signs the Approval and Certification section of the Annual Return.
- That the members note and approve the Internal Audit Final Report (Appendix 2)

3. BACKGROUND

- 3.1 The Accounts and Audit (Wales) Regulations 2014 require all local councils and joint committees to prepare their annual accounting statements in accordance with proper practices.
- 3.2 The Accounts and Audit (Wales) Regulations 2014 define a joint committee with income and expenditure of less than £2.5 million per annum being defined as a 'smaller relevant body'.
- 3.3 In this case, the 'Governance and Accountability for Local Councils in Wales – a Practitioners Guide' has been identified as being proper practice for the preparation of accounts.
- 3.4 The Practitioners Guide allows bodies with income and expenditure of less than £2.5 million to prepare an annual return, which includes an income and expenditure account and a statement of balances, rather than a full statement of accounts.

3.5 The Accounts and Audit (Wales) Regulations 2014 require that the Joint Committee must formally approve the Annual Return by 30th June and certify that they present fairly the financial position of Llwydcoed Crematorium.

3.6 Following which unless the Annual Return needs to be amended, the auditor will certify the return and send it back to the Joint Committee for publication with no further approval required by the Joint Committee. If however amendments are required, the auditor will send the return back to the Joint Committee for amendment and re-approval before the auditor can certify the return. The certified annual return must be published by no later than 30th September

4. FINANCIAL PERFORMANCE AND MOVEMENT OF USABLE RESERVES

4.1 The first part of the table below shows the controllable income and expenditure for 2017-18 compared to budget. It then shows the impact of interest earned on reserves and capital expenditure charged directly to reserves on the balance of reserves available to the Joint Committee.

2017/18	Budget £	Actual £	Variance £	Annual Return Ref
Controllable Expenditure				
Employees	172,140	191,673	19,533	Line 4
Premises	133,740	204,553	70,813	Line 6
Transport	3,000	4,340	1,340	Line 6
Supplies & Services	76,490	112,048	35,558	Line 6
Support Services	56,630	89,908	33,278	Line 6
	442,000	602,523	160,523	
Controllable Income				
Receipts/Fees	-887,600	-1,138,838	-251,238	Line 3
Controllable Surplus	-445,600	-536,315	-90,715	
Add interest earned		-2,099		Line 3
Revenue contribution to balances		-538,414		
Capital expenditure charged directly to Reserves		0		Line 6
Net increase in Reserves		-538,414		
General Reserves B/F 01.04.17		-1,131,293		Line 1
General Reserves C/F 31.03.18		-1,669,707		Line 7

- 4.2 The General Reserve is a distributable revenue reserve, which consists of the accumulated surpluses of the Crematorium's operations.
- 4.3 This can be apportioned between Cynon Valley (now part of Rhondda Cynon Taf CBC) and Merthyr Tydfil CBC in the ratio of respective populations (2011 Census Data) as follows:

	Merthyr Tydfil	Cynon Valley	Total
Relevant Population	58,802	63,238	122,040
Balance at 1 st April 2017	-545,086	-586,207	-1,131,293
(Surplus)/Loss for the Year	-259,422	-278,992	-538,414
Balance at 31st March 2018	-804,508	-865,199	-1,669,707

- 4.4 The main reasons for the variances between budgeted and actual controllable expenditure were;
- Employee costs were over spent due to the employment of an agency gardener over and above the budgeted staff structure.
 - Premises costs were higher than budgeted mainly because of the provision of the rose garden.
 - Supplies & services were over spent mainly due the costs of the cremator maintenance agreement.
 - Support costs were higher than budgeted due to an assessment of the actual operational management resource provided by RCT Bereavement Services.
- 4.5 The main reasons for the variances between budgeted and actual controllable income were;
- income received was higher than budgeted due to an increase in the number of cremations undertaken

5. BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2018

- 5.1 In addition to the Annual Return, a supplementary Balance Sheet is provided in the table below. This supplementary information provides a further breakdown of the figures reported in the Annual Return, is purely for information only, and is not subject to audit at year end.

31-Mar-17 £		31-Mar-18 £	Annual Return Ref
	LONG TERM ASSETS		
2,199,408	Land & Property	2,093,126	
240	Plant & Equipment	160	
0	Assets Under Construction	0	
2,199,648	TOTAL LONG TERM ASSETS	2,093,286	Line 12
	CURRENT ASSETS		
4,499	Inventories	6,783	Line 8
73,326	Debtors	82,378	Line 8
1,072,093	Cash and Bank (Personal Account)	1,585,602	Line 9
1,149,918	TOTAL CURRENT ASSETS	1,674,763	
	CURRENT LIABILITIES		
(18,625)	Creditors	(5,056)	Line 10
1,131,293	NET CURRENT ASSETS	1,669,707	Line 11
3,330,941	TOTAL ASSETS LESS CURRENT LIABILITIES	3,762,993	
	LONG TERM LIABILITIES		
(339,000)	Defined Pension Scheme Liability	(328,000)	
2,991,941	NET ASSETS	3,434,993	
	REPRESENTED BY :-		
	USABLE RESERVES		
(1,131,293)	General Fund Balances	(1,669,707)	Line 11
	UNUSABLE RESERVES		
339,000	Pensions Reserve	328,000	
(70,773)	Revaluation Reserve	(67,578)	
(2,128,876)	Capital Adjustment Account	(2,025,708)	
(2,991,941)		(3,434,993)	

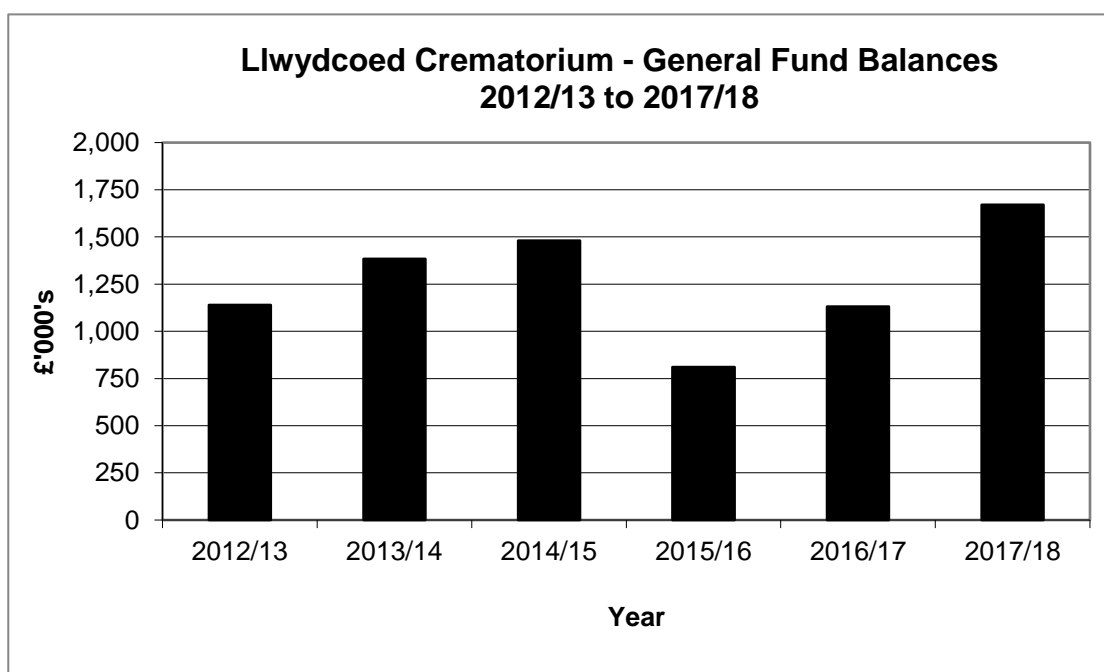
5.2 Further information to explain the balances are provided below:

- Long Term Assets include Land, Buildings and Equipment. The value of all land, buildings and equipment is based on a written down value after taking account of the assets remaining life and estimated cost of replacement.
- Inventories are stock included in the Balance Sheet at the lower of cost and net realisable value and relates mainly to caskets, memorial bases and flower containers
- Debtors represents monies owed to Llwydcoed Crematorium by trade debtors such as Funeral Directors
- Cash and Bank (Personal Account) is the amount held on behalf of Llwydcoed Crematorium by Rhondda Cynon Taf County Borough Council. No separate bank account exists for Joint Committee
- Creditors are amounts owed by Llwydcoed Crematorium to suppliers for which goods and services were provided prior to the end of the financial year but at that time not invoiced

- Defined Pension Scheme Liability – As part of the terms and conditions of the employees of Llwydcoed Crematorium they are offered retirement benefits by the Joint Committee. Although these benefits will not be payable until retirement, the Joint Committee has a commitment to make these payments. The liability for these payments need to be accounted for at the time the future entitlement is earned
- Reserves are reported in two categories. Usable reserves can be used by the Committee to provide services subject to the need to provide a prudent level of reserves. Unusable reserves are not available to provide services
- The General Fund Balance is a distributable revenue reserve, which consists of the accumulated surpluses of the Crematorium’s operations
- The Pensions Reserve covers the Defined Pension Scheme Liability
- The Revaluation Reserve contains the gains made by the Joint Committee arising from increases in the value of its Property, Plant and Equipment
- The Capital Adjustment Account represents the difference between the cost of fixed assets used by the Joint Committee and the capital financing set aside to pay for them

6. GENERAL FUND BALANCES 2012/13 TO 2017/18

6.1 The table below shows Llwydcoed Crematorium’s level of General Fund Balances for the last six years. It can be seen that the level of the Crematorium’s reserves had grown steadily before being reduced in 2015/16 as a result of the costs of the replacement of the cremators. Further expenditure on the replacement of the cremators was incurred in 2016/17 due to the final stage payments of the contracted works but this was compensated partly by increased income received.



7. INTERNAL AUDIT FINAL REPORT

- 7.1 The Internal Audit Final Report Llwydcoed Crematorium was issued 25th September 2017. The Audit Opinion states that “The overall control environment at Llwydcoed Crematorium is considered to be effective.”
- 7.2 Management have reviewed and responded to the findings of the Report and have implemented procedures to ensure the recommendations are met.

8. SUMMARY

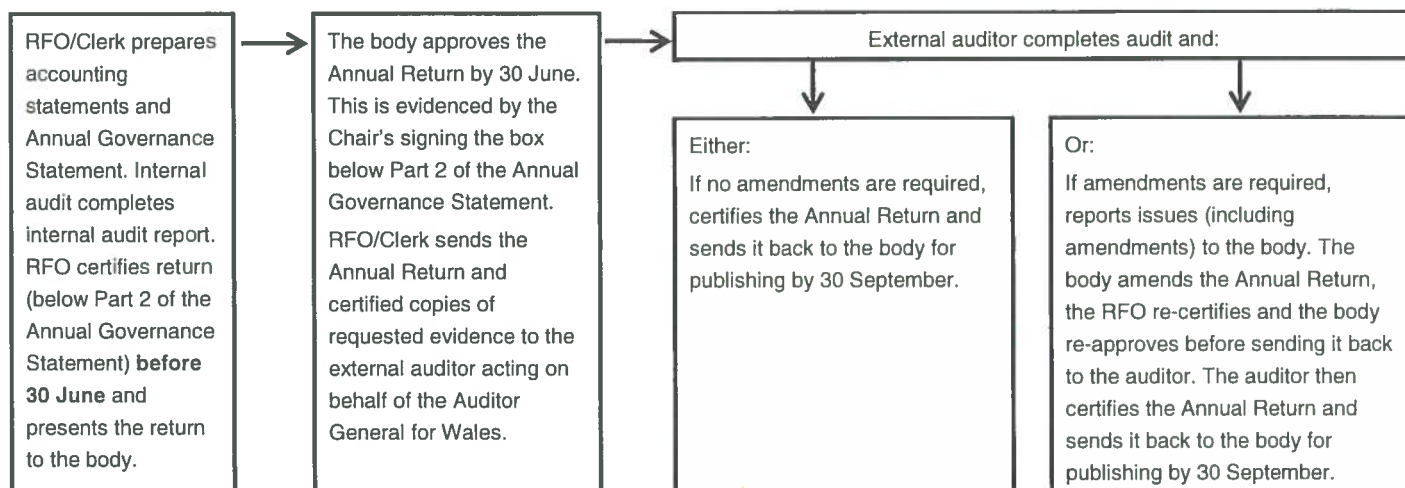
- 8.1 The level of reserves are required to fund further capital expenditure as part of the ongoing delivery of the service and is considered to be prudent as at 31st March 2018.
- 8.2 The level of reserves will be monitored closely as part of the ongoing Budget Monitoring process and reported to the Joint Committee at appropriate intervals.

Smaller local government bodies in Wales Annual Return for the Year Ended 31 March 2018

Smaller local government bodies in Wales must prepare annual accounts following proper practices as set out in the One Voice Wales/SLCC publication **Governance and accountability for local councils in Wales – A Practitioners' Guide** (the Practitioners' Guide). The Practitioners' Guide states that bodies may prepare their accounts in the form of an annual return prepared by the Wales Audit Office.

The accounts and audit process

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and complete all sections highlighted in red including both sections of the Annual Governance Statement.

PLEASE PRINT THIS DOCUMENT FOR SIGNATURE AND SEND IT TO YOUR AUDITOR

Incomplete or incorrect returns may require additional external audit work and incur additional costs. Send the **original** Annual Return, together with all additional information requested, to the external auditor acting on behalf of the Auditor General for Wales. Unless requested, please **do not** send any original financial or other records to the external auditor.

Audited and certified returns are sent back to the body for publication or display of the accounting statements, Annual Governance Statement and the Auditor General for Wales' certificate and report.

Completion checklist

'No' answers mean that you may not have met requirements		Done?	
		Yes	No
Initial submission to the external auditor			
Accounts	Has the RFO certified the accounting statements and the body approved the Annual Return (as evidenced by the relevant signatures), no later than 30 June 2018?	✓	<input type="checkbox"/>
	Do the accounts add up and does the balance carried forward from last year equal the opening balance this year?	✓	<input type="checkbox"/>
	Do the papers to be sent to the external auditor include an explanation of significant variations, including a quantified analysis of the changes from last year to this year?	✓	<input type="checkbox"/>
	Does the bank reconciliation as at 31 March 2018 agree to line 9?	✓	<input type="checkbox"/>
All sections	Have all red boxes been completed and explanations provided where needed?	✓	<input type="checkbox"/>
Evidence	Has all the information requested by the external auditor been included?	✓	<input type="checkbox"/>

Accounting statements 2017-18 for:

Name of body: LLWYDCOED CREMATORIUM JOINT COMMITTEE

	Year ending		Notes and guidance for compilers
	31 March 2017 (£)	31 March 2018 (£)	
			<p>Please round all figures to nearest £.</p> <p>Do not leave any boxes blank and report £0 or nil balances.</p> <p>All figures must agree to the underlying financial records for the relevant year.</p>

Statement of income and expenditure/receipts and payments

1. Balances brought forward	809,778	1,131,293	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	1,030,913	1,140,937	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-171,017	-191,673	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	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-538,381	-410,850	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	1,131,293	1,669,707	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	77,825	89,161	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	1,072,093	1,585,602	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	-18,625	-5,056	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	1,131,293	1,669,707	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	2,199,648	2,093,286	The original asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

14. Trust funds disclosure note	Yes	No	N/A	Yes	No	N/A	The body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions).
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

Annual Governance Statement (Part 1)

We acknowledge as the members of the Llwydcoed Crematorium Joint Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2018, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref	
	Yes	No*			
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. 	✓	<input type="checkbox"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12	
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	✓	<input type="checkbox"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7	
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Llwydcoed Crematorium Joint Committee to conduct its business or on its finances.	✓	<input type="checkbox"/>	Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6	
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	✓	<input type="checkbox"/>	Has given all persons interested the opportunity to inspect and to ask questions about the body's accounts.	6, 23	
5. We have carried out an assessment of the risks facing the Llwydcoed Crematorium Joint Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓	<input type="checkbox"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9	
6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	✓	<input type="checkbox"/>	Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	6, 8	
7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Llwydcoed Crematorium Joint Committee and, where appropriate, have included them on the accounting statements.	✓	<input type="checkbox"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6	
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	✓	<input type="checkbox"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the Internal and external auditors.	6, 8, 23	
<p>9. Trust funds – in our capacity as trustee, we have:</p> <ul style="list-style-type: none"> discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. 	<input type="checkbox"/>	<input type="checkbox"/>	N/A	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.	3, 6

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

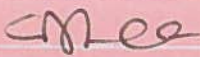
Annual Governance Statement (Part 2)

	Agreed?		'YES' means that the Council/Board/ Committee:
	Yes	No*	
1. We have considered the adequacy of reserves held by the body in setting the budget for 2017-18 and 2018-19 and have appropriate plans in place for the use of these reserves.	✓	<input type="checkbox"/>	Has met the requirements of the Local Government Finance Act 1989 in setting the budget requirement and precept for the financial years.
2. When awarding grants under section 137 of the Local Government Act 1972, we have kept a separate account of such grants and considered whether or not the benefits arising from such payments are commensurate with the sums paid.	✓	<input type="checkbox"/>	Has kept and appropriate record of grants awarded and ensured that the expenditure is commensurate with the benefit to the community.
3. The council has ensured that it has a lawful obligation to pay a service gratuity to employees* or The council has no obligation or intention to pay a gratuity to employees.*	✓	<input type="checkbox"/>	Has ensured that where it has an arrangement to provide a gratuity to staff, it has ensured that there is a legal obligation to provide the gratuity.

* Please delete as appropriate.

Llwydcoed Crematorium Joint Committee approval and certification

The Llwydcoed Crematorium Joint 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.

Certification by the RFO I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Llwydcoed Crematorium Joint Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2018.	Approval by the Llwydcoed Crematorium Joint Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Llwydcoed Crematorium Joint Committee under minute reference: Insert minute reference and date of meeting
RFO signature: 	Chair signature:
Name: CHRISTOPHER LEE	Name:
Date: 17/5/18	Date:

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

Certification by the RFO I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Llwydcoed Crematorium Joint Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2018.	Approval by the Llwydcoed Crematorium Joint Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Llwydcoed Crematorium Joint Committee under minute reference: Insert minute reference and date of meeting
RFO signature: signature required	Chair signature: signature required
Name: name required	Name: name required
Date: dd/mm/yyyy	Date: dd/mm/yyyy

Auditor General for Wales' Audit Certificate and report

The external auditor conducts the audit on behalf of, and in accordance with, guidance issued by the Auditor General for Wales. On the basis of their review of the Annual Return and supporting information, they report whether any matters that come to their attention give cause for concern that relevant legislation and regulatory requirements have not been met.

We certify that we have completed the audit of the Annual Return for the year ended 31 March 2018 of:

LLWYDCOED CREMATORIUM JOINT COMMITTEE

External auditor's report

[Except for the matters reported below]* On the basis of our review, in our opinion, the information contained in the Annual Return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

[[These matters along with]* Other matters not affecting our opinion which we draw to the attention of the body and our recommendations for improvement are included in our report to the body dated _____.]

Other matters and recommendations

On the basis of our review, we draw the body's attention to the following matters and recommendations which do not affect our audit opinion but should be addressed by the body.

(Continue on a separate sheet if required.)

External auditor's name:

External auditor's signature:

Date:

For and on behalf of the Auditor General for Wales

* Delete as appropriate.

Annual internal audit report to:

Name of body: LLWYDCOED CREMATORIUM JOINT COMMITTEE

The Llwydcoed Crematorium Joint Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2018.

The internal audit has been carried out in accordance with the Llwydcoed Crematorium Joint Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Llwydcoed Crematorium Joint Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Detailed internal audit report presented to body
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Detailed internal audit report presented to body
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Detailed internal audit report presented to body
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓	Central function and regular treasurers reports presented to Joint Committee
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Detailed internal audit report presented to body
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	✓	<input type="checkbox"/>	Llwydcoed Crematorium does not operate a petty cash account
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓	Central function administered by Council's payroll service
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓	Central Function

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Central Function
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Central Function
11. Trust funds (including charitable trusts). The Council/Board/Committee has met its responsibilities as a trustee.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	N/A

For any risk areas identified by the Llwydcoed Crematorium Joint Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
12. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
13. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
14. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text


* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

My detailed findings and recommendations which I draw to the attention of the Llwydcoed Crematorium Joint Committee are included in my detailed report to the Council/Board/Committee dated 25th September 2017.

Internal audit confirmation

I confirm that as the Council's internal auditor, I have not been involved in a management or administrative role within the body or as a member of the body during the financial years 2016-17 and 2017-18. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: MARC CRUMBIE
Signature of person who carried out the internal audit: 
Date: 14/05/2018

Guidance notes on completing the Annual Return

1. You must apply proper practices when preparing this annual return. For guidance, please read the Practitioners' Guide (**Governance and accountability for local councils: A Practitioners' Guide (Wales)**) – available from One Voice Wales and SLCC. It contains everything you need for the financial year-end and the statutory audit.
2. The Wales Audit Office Good Practice Exchange (www.audit.wales/good-practice/finance/community-council-money) provides further information on the accounts and audit process along with guidance on governance matters.
3. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited and may incur additional costs.
4. **There are now two boxes for certification and approval by the body. The second box is only required if the annual return has to be amended as a result of the audit. You should only complete the top box before sending the form to the auditor.**
5. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
6. Make sure that your accounting statements add up, that the balance carried forward from the previous year (line 7 of 2017) equals the balance brought forward in the current year (line 1 of 2018). Explain any differences between the 2017 figures on this annual return and the amounts recorded in last year's annual return.
7. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
8. Make sure that the copy of the bank reconciliation you send to your auditor with the Annual Return covers **all** your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. If your Council holds any short-term investments, please note their value on the bank reconciliation. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliation is available in the Practitioners' Guide*.
9. **Every** small body is now required to send to the external auditor, information to support the assertions made in the Annual Governance Statement. Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records (certified by the Clerk and Chair as accurate copies) to the external auditor and not the original documents themselves.
10. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
11. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
12. **Do not complete the Auditor General for Wales' Audit Certificate and report.** The external auditor completes this on behalf of the Auditor General for Wales on completion of the audit.
13. **Please deal with all correspondence with the external auditor promptly.** This will help you to meet your statutory obligations and will minimise the cost of the audit.
14. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

Rhondda Cynon Taf
County Borough Council

Internal Audit Final Report

**LLWYDCOED
CREMATORIUM**

MANAGEMENT IN CONFIDENCE

Date of Audit:	July 2017
Auditor(s):	Huw Griffiths - Lead Auditor Lisa Cumpston - Review Manager
Report Distribution:	Ceri Pritchard - Crematorium Manager Janet Lewis - Bereavement Services Manager (See full distribution list in Section 3)
Date of Issue:	25th September 2017

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1. INTRODUCTION

1.1 Llwydcoed Crematorium is managed and administered by the Llwydcoed Crematorium Joint Committee, under the Local Government (Wales) Act 1994. The Committee is made up of nine members, five from Rhondda Cynon Taf CBC and four from Merthyr Tydfil CBC. In 1996 RCTCBC became the host authority for the Joint Committee.

2. SCOPE & OBJECTIVES

2.1 In accordance with the Internal Audit Plan for financial year 2017/18, which has been agreed by Audit Committee, a review of the establishment's main financial systems was undertaken.

2.2 Audit testing was carried out on transactions made during the financial year 2017/18 to ensure that fundamental controls are present and operating satisfactorily.

2.3 The objectives of the audit review were to ensure that:

- Receipts are retained in orderly manner and are produced for all income received.
- The Purchase Card is being used in accordance with guidance and procedures issued by the Procurement Service.
- All confidential data is retained securely and electronic records/systems are backed up regularly and access restricted to authorised users.
- Accurate and up to date records are maintained of all burials, graves and purchased graves.

3. AUDIT APPROACH

- 3.1 Having agreed the objectives, fieldwork took place specifically targeted at meeting the agreed objectives.
- 3.2 A draft report was prepared and provided to management for review and comment with an opportunity given for discussion or clarification if required.
- 3.3 This final report incorporates management comments together with the timetable for the implementation of agreed recommendations.
- 3.4 It has been issued electronically to the following Officers:
 - Chief Executive
 - Group Director, Corporate & Frontline Services
 - Group Director, Community & Children's Services
 - Service Director, Public Health & Protection
 - Head of Leisure, Parks and Countryside
 - Bereavement Services Manager
 - Service Director, Performance & Improvement
- 3.5 A copy of this report should be presented to the Joint Committee.
- 3.6 Management will be contacted and asked to provide feedback on the status of each agreed recommendation once the target date for implementation has expired.

4. AUDIT OPINION

4.1 The overall control environment at Llwydcoed Crematorium is considered to be effective.

4.2 **Statutory Obligations**

The Burial and Cremation Administration System (BACAS) is used to administer the day to day functions of the Service.

A sample of 10 applications confirmed that all of the required application forms and documents were in place such as Confirmatory Notice of Cremation, Application for Cremation and Medical Certificate.

The purchase of plots is recorded on the 'Register of Graves & Grants of Exclusive Rights of Burial' ledgers and on BACAS. The owner of the plot is provided with a deed which is printed from the BACAS system.

The Register of Graves & Grants Exclusive Rights of Burial ledgers are used to record each interment of each plot. The maximum number of interments for all plots is 4 and these are all recorded on the BACAS system.

4.3 **Information Management & I.T Security**

The site has a number of fireproof safes in which the statutory ledgers for the service are held. In addition, access to the BACAS system is restricted to those members of staff that have a unique username and password. It should be noted that the site does encounter continuity issues in respect of network connection, due to its isolated location. This can occasionally cause issues with Webpaystaff system and network connected equipment such as chip and pin machines and receipt printer.

4.3 **Collections & Deposits / Receipts**

The site use the Webpaystaff system to record all income received directly on site. The system allows the site to take payments in person, over the phone and take card payments via chip and pin devices, and entries onto the Financials system are in real time. The system generates receipts which are given directly to or sent to customers (via email) and a copy retained on site. As a back up to the system an income ledger is in place which is updated as and when income is received.

One occasion noted where details of payment were recorded in the ledger but no copy receipt was present (although a receipt number was recorded in ledger) and one instance where a receipt was present but nothing recorded in the ledger.

4.4 **Purchase Card**

Overall, the administration of the purchase card is undertaken in accordance with the procedures issued by the Council's Procurement Service.

However, although a transaction log is maintained it was reported that it is completed when the payments / purchases need to be reconciled to the system (usually the 15th of the month) rather than being updated as and when transactions

occur. There were a small number of transactions that did not have the required supporting documentation.

4.5 Implementing the recommendations in the report will improve the control environment further.

ACKNOWLEDGEMENTS

A number of staff gave their time and cooperation during the course of this review. Internal Audit would like to record its thanks to all individuals concerned.

5. DETAILED FINDINGS

The findings of the review are reported on an exception basis to focus on issues where action is recommended. Each of the issues / recommendations detailed has been given a priority rating to assist management in directing and prioritising resources in accordance with areas of risk, these ratings being high, medium or low.

5.1 Collections & Deposits / Receipts

AUDIT OBJECTIVE: All income due to the Council is identified and all collections are received and banked promptly and completely.

REF & PRIORITY	FINDING	IMPLICATION	RECOMMENDATION	MANAGEMENT RESPONSE	RESPONSIBILITY & TARGET DATE
5.1.1 Low	<p>Review of the income records at the site identified the following discrepancies;</p> <ul style="list-style-type: none"> • One instance was noted whereby income was supported by a receipt (<i>RCSH10301169 for £155.00</i>) – but details had not been entered into the income ledger. • One instance where income had been recorded in the income ledger but no receipt was present on file (<i>RCSH10302788 for £926.00</i>). 	Income records are incomplete.	The administrative staff must ensure that all income is receipted and entered into the income ledger. All transactions should be supported by relevant receipts.	Agreed - Staff reminded of importance of accuracy in recording payments.	All Staff Implemented
5.1.2 Low	Discussions at the site revealed that currently there is no retrospective, periodic review of income records.	Errors / mistakes may not be identified in the absence of regular review.	The Crematorium Manager should undertake a periodic, sample based review of income records to ensure that there are no anomalies.	Agreed – monthly exercise to be undertaken checking a sample of income records for accuracy and completeness.	Site Manager November 2017

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5.2 Purchase Card

AUDIT OBJECTIVE: The Purchase Card is being used in accordance with guidance and procedures issued by Procurement Services.

REF & PRIORITY	FINDING	IMPLICATION	RECOMMENDATION	MANAGEMENT RESPONSE	RESPONSIBILITY & TARGET DATE
5.2.1 Low	<p>On review of the purchase card records it was noted that there is no evidence to confirm when and whom the monthly reconciliation has taken place i.e. transactions should be ticked as correct and signed and dated by the officer responsible for this task.</p> <p>It was also reported that the transaction log is now completed once a month (when the account is to be reconciled) rather than as and when transaction occur. Also the transaction log is completed in calendar month periods rather than the billing period i.e. May billing period cover last 2 weeks of April and first two weeks of May.</p>	<p>Non compliance with Cardholder Manual.</p> <p>No evidence to confirm the process of reconciliation of the Barclaycard account.</p>	<p>The officer responsible should ensure that the transaction log is used as part of the reconciliation of the account and that the log shows evidence of this and is signed and dated as correct.</p> <p>The transaction log should be updated (as soon as possible) when the transactions occur. The log should be retained in each monthly billing period.</p>	<p>Agreed, new column added for signatures.</p> <p>Agreed. Table to be printed out and manually updated due to issues with connection on site.</p>	<p>Admin Officer</p> <p>Implemented</p>
5.2.2 Medium	<p>Review of purchase card transactions made since April 2017 identified the following;</p> <ul style="list-style-type: none"> 27.4.2107 – Timpson - £25.00 – no receipt details of payment recorded on a blank sheet of paper. 10.5.2017 – Tesco - £16.00 – no receipt was present on file. 6.7.2017 – Amazon - £30.36 – no receipt was present on file. <p><i>(continued over the page)</i></p>	<p>Non compliance with prescribed guidelines.</p> <p>In the absence of a receipt, assurance cannot be provided that the expenditure incurred is appropriate.</p>	<p>Management should ensure that a receipt is retained for all spend incurred.</p> <p>For instances where a receipt cannot be provided or it has been lost, the 'Record of Expenditure without a Receipt' pro-forma should be used.</p> <p>The cardholder and authorising officer also need to ensure that all transactions have been reviewed and authorised on the Barclaycard system up to the 15th of each monthly billing period.</p>	<p>3 of the 4 receipts were in fact present, but possibly not in file at the time of the auditors visit.</p> <p>A 'Record of Expenditure without a Receipt' pro forma has been used for the other, again this was not in the file but this will continue to be used.</p> <p>All transactions have now been authorised by Site Manager.</p>	<p>Site Manager & Admin Officer</p> <p>Implemented</p>

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INTERNAL AUDIT FINAL REPORT: LLWYDCOED CREMATORIUM

REF & PRIORITY	FINDING	IMPLICATION	RECOMMENDATION	MANAGEMENT RESPONSE	RESPONSIBILITY & TARGET DATE
	<p><i>(continued from over the page)</i></p> <ul style="list-style-type: none"> 7.7.2017 – Amazon - £11.35 – no receipt on file on file. <p>It was also noted that the transactions on the Barclaycard system have only been reviewed and authorised up to the end of June 2017. The transactions need to be reviewed and authorised for each billing period up to the 15th of monthly billing period.</p>				

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Llwydcoed Crematorium Joint Committee Report of the Bereavement Services Manager

1 Statistics and Performance

Cremations	
1970-2015	50038
2016	1258
2017	1480
Jan – Mar 2018	488
April 2018	148
May 2018	125
Total to date	53537
Year to 31 March 2019	
Adults	272
Children	0
Stillbirths	1
NVF's	43
Body organs	0
Scattered	6
Interred	39
Released	228
Applications for memorials	
Book of Remembrance	3
Memorial Cards	0
Plaques on Plots	30
Plaques in Garden	2
Rose Bushes	1

RECOMMENDATION:
To note the report

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