

LLWYDCOED CREMATORIUM JOINT COMMITTEE

23rd July 2019

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 an Annual Return for the Year Ended 31st March 2019 and to provide Members with an update on the 2019/20 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 2019 (Appendix 1)

(b) the 2019/20 Budget Monitoring update (Appendix 2)

3.0 BACKGROUND

3.1 Annual Return for the Year Ended 31st March 2019

3.1.1 The draft Annual Return for the Year Ended 31st March 2019 was presented to the Joint Committee on 28th May 2019 prior to the independent audit by the Wales Audit Office.

3.1.2 No material amendments have been identified as part of the audit review process and the Annual Return for the Year Ended 31st March 2019 is shown for information (Appendix1).

3.1.3 The level of closing General Reserves held by the Joint Committee increased to £2,206,268 (from £1,669,707 at the year ended 31st March 2018), as reported in the Annual Return.

3.2 2019/20 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 three months of 2019/20 financial year. This is shown in the attached Appendix 2.

3.2.2 The Joint Committee on 19th March 2019 approved a revenue budget for 2019/20, which projected a net contribution to reserves of £533,420.

3.2.3 Projected expenditure for 2019/20 totals £713,394 against a budget of £601,010 – an over spend of £112,384.

3.2.4 The main expenditure variance is as follows: -

- Premises - £119,106 over spend. This is mainly due to the projected capital costs.

3.2.5 Projected income for 2019/20 totals £1,055,042 against a budget of £1,130,930 showing a shortfall of income of £75,888. 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 Summary position for 2019-20

	£
General Reserves brought forward 1st April 2018	1,669,707
Net revenue charge to reserves in 2018-19	<u>536,561</u>
General Reserves carried forward 31st March 2019	2,206,268
Projected Net Revenue contribution to reserves in 2019/20	<u>345,148</u>
Projected General Reserves 31st March 2020	2,551,416

3.2.7 Appendix 2 shows that during 2019-20 the balance brought forward of **£2,206,268** is anticipated to increase by **£345,148** from a surplus on revenue, taking the projected reserves available as at 31st March 2020 to **£2,551,416**.

4.0 SUMMARY

4.1 The level of reserves will be dependent upon the 2019/20 final revenue position and any 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.