

MARGAM CREMATORIUM JOINT COMMITTEE

11th July 2024

REPORT OF THE TREASURER – HUW JONES

MATTER FOR DECISION

WARDS AFFECTED - ALL

OUTTURN REPORT AND ANNUAL RETURN 2023/24

1. Purpose of Report

- 1.1 This report provides details of the Margam Crematorium Joint Committee Outturn position for 2023/24. It also includes the Annual Return required to comply with proper accounting practices.

2. Outturn Report 2023/24

- 2.1 This Outturn Report provides details of the variances in service levels and income and expenditure since this Committee approved the revised budget on the 7th December 2023. Members will note that there were 1,559 paid services provided in 2023/24, this includes 127 cremation only services. This is 9 services more than the 1,550 budgeted for in December.
- 2.2 In summary, the actual position shows that the net amount available to transfer to the reserves is £41,037 more than anticipated at revised budget, made up from a reduction in expenditure of £28,311 and an increase in income of £12,726.
- 2.3 Full details of each variance to the revised budget is shown in Appendix 1, with the main variances between the Revised Budget and the Actual position further explained as follows:

Expenditure

Organists Fees -£2,348

There was an underspend on the anticipated organist costs for the financial year.

Staff Training +£3,895

There was an overspend on staff training as one staff member enrolled on an ICCM diploma training course after the revised budget was set.

Grounds Maintenance -£2,515

There was an underspend on the anticipated cost of grounds maintenance work in the financial year.

Repair & Maintenance – Buildings +£5,725

There was an overspend on repair and maintenance at the Crematorium, which is due to an increase in the anticipated demand for maintenance work.

Maintenance Cremators -£2,511

The budget was increased to allow for additional cremator maintenance during the financial year, this additional maintenance did not cost as much as anticipated resulting in reduced expenditure.

Brochures -£1,000

Brochures were not ordered this financial year and will now be ordered in the next financial year.

Urns & Caskets +£1,996

There was an increase in the anticipated urns & caskets expenditure this financial year, this expenditure is offset by urns & caskets income.

Multi-media System +£5,029

The multi-media system expenditure has increased this financial year the additional media services costs are offset by increased income received from this service.

Provision for Capital works -£33,666

The schedule below analyses the capital works undertaken during 2023/24.

Capital Works	Revised Estimate	Actual	Variance
	£	£	£
Other capital works & contingency	100,000	66,334	-33,666
	100,000	66,334	-33,666

Income

Cremation Fees -£2,635

The revised budget estimated that there would be 1,550 paid cremations during the year, the actual number provided in-year was 1,559. This includes 127 cremation only services.

Palm Sunday and Bulb donations £184 and £161

These are voluntary donations made by the public to the Crematorium in relation to Palm Sunday and Bulbs. The donations received contribute to any expenditure in relation to the service during the financial year, with any surplus or deficit transferred to the reserve at year end.

Media Services income +£9,246

The additional services offered to the public from the media system have been very popular. This includes streaming funeral services all over the world, service recordings, music and visual tributes. The demand for these additional services is increasing, resulting in more income than anticipated at revised budget.

Miscellaneous income +£530

Income for certificates of cremation, window vases, extra time in chapel and witness burials has increased this financial year.

Investment income +£4,594

All the Crematorium's income and expenditure is transacted via Neath Port Talbot Council and interest paid on the net funds held for the Crematorium. The amount of interest due at the financial year end was higher than anticipated at original and revised budget.

CAMEO +£119

The Crematoria Abatement of Mercury Emissions organisation (CAMEO) operates a trading pool that receives contributions from those crematoria that have not installed abatement equipment. This fee, less any administrative charges, is then redistributed to the crematoria that have installed abatement equipment.

This sum is based on the net surplus tradable mercury abatement of cremations for the period of 1st January 2022 to 31st December 2022. The Crematorium had surplus cremations which generated income of £3,119. The level of any future income cannot be predicted with any accuracy, as the funds to be distributed are dependent on the demand from crematoria for tradable mercury abated cremations.

3. Reserve Position

3.1 The contributions to and from reserve were £41,037 more than anticipated, resulting in the closing position for reserves shown below:

	Balance at 31st March 2023	Transfers to/from Reserve	Balance at 31st March 2024
	£	£	£
General Reserve	Cr 1,007,305	Cr 36,293	Cr 1,043,598
Cremator Renewals	Cr 800,000	Cr 100,000	Cr 900,000
Memorial Bulb Account	Cr 5,700	Cr 161	Cr 5,861
Palm Sunday Fund	Cr 4,434	Dr 252	Cr 4,182
	Cr 1,817,439	Cr 136,202	Cr 1,953,641

4. Annual Report for the Year Ended 31st March 2024

- 4.1 The Accounts and Audit (Wales) Regulations 2014 allow for small relevant bodies with gross income or expenditure (whichever is greater) of no more than £2.5M to complete an Annual Return for audit purposes. This summarises the annual activities at the year-end of each financial year.
- 4.2 The Local Councils in Wales Annual Return will be used by Wales Audit Office for scrutiny and audit. The draft Annual Return, which incorporates the Annual Governance Statement, is included at Appendix 3. In line with the requirements of the Accounts and Audit Regulations, Members should note that as the responsible financial officer I signed the Annual Return on the 20th May 2024, prior to the 31st May deadline. A copy of this report and Annual Return has been provided to the Wales Audit Office for their attention and a formal copy also signed by the Chair will be forwarded after the Committee meeting.
- 4.3 The Accounts and Audit (Wales) (Amendment) Regulations 2018 mean that the date for signing and auditing the accounts will come forward in future years, as follows:

Year	Accounts drafted	Accounts audited
2019/20	15 th June 2020	15 th September 2020
2020/21	31 st May 2021	31 st July 2021
Annually thereafter	31 st May	31 st July

5. External Audit

- 5.1 Any material changes resulting from the examination of the Annual Return by the External Auditor will be reported back to this Committee for consideration prior to signing off the final version of the Annual Return before the deadline. Members should note that if the External Auditor does not identify any material changes there will be no need for the accounts to be represented to the Joint Committee and then re-signed by the Chair.

6. Recommendations

6.1 It is recommended that Members:

- Approve the Outturn report for 2023/24.
- The Annual Return, prior to external audit certification, for the year ended 31st March 2024, be approved and signed by the Chairman of this Committee.
- The Annual Governance Statement is confirmed.

7. Reasons for Proposed Decision

To approve the Outturn report for Margam Crematorium for 2023/24 and to confirm the Annual Return and Annual Governance Statement in line with statutory requirements.

8. Implementation of Decision

The decision is proposed for immediate implementation.

9. Appendices

1. Margam Crematorium Income and Expenditure Account
2. Margam Crematorium Balance Sheet as at 31st March
3. Draft Annual Return including Annual Governance Statement

10. List of Background Papers

Margam Crematorium Financial Records.

11. Officer Contact:

Mr Huw Jones – Treasurer

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Margam Crematorium Income & Expenditure Account

Actual		Original Estimate	Revised Estimate	Actual	Variance Actual to Revised
2022/23		2023/24	2023/24	2023/24	2023/24
£	Expenditure	£	£	£	£
	Employees				
276,432	Salaries & Wages	309,803	308,524	305,388	-3,136
40,202	Organists fees	42,500	42,500	40,152	-2,348
530	Staff Training	770	1,000	4,895	3,895
	Premises				
85,106	Grounds Maintenance	80,570	77,541	75,026	-2,515
969	Renewal of Bulbs	0	0	0	0
24,888	Buildings/Maintenance	25,600	23,600	29,325	5,725
70,858	Maintenance Cremators	73,050	85,460	82,949	-2,511
34,486	Gas	57,000	91,000	90,784	-216
19,745	Electricity	33,750	55,000	54,920	-80
775	Water	810	950	1,209	259
34,133	Non Domestic Rates	62,000	43,170	43,172	2
13,361	Cleaning	14,040	14,040	13,997	-43
	Supplies & Services				
3,289	Printing & Stationery	2,860	3,320	2,959	-361
1,903	Telephones	1,940	1,970	1,822	-148
5,060	Insurance	5,310	5,310	5,310	0
0	Travel and Subsistence	200	0	0	0
640	Conference fees	1,250	1,860	1,860	0
30	Car Allowance	350	150	63	-87
58,824	Support Services	61,180	61,180	61,176	-4
1,180	Audit Fees	1,035	1,040	1,153	113
1,145	Licences	1,210	1,210	1,145	-65
622	Floral Decoration	660	665	654	-11
5,472	IT Equipment & website	3,500	4,760	4,448	-312
0	Brochures	1,000	1,000	0	-1,000
1,627	Equipment	1,580	1,100	1,219	119
7,927	Urns & Caskets	5,300	5,550	7,546	1,996
0	Palm Sunday	780	780	435	-345
1,927	Entries in Book of Remembrance	2,250	2,250	2,411	161
14,652	Medical Referees	14,180	13,950	14,247	297
2,134	Clothing	2,210	1,500	1,059	-441
1,778	Subscriptions	1,680	1,655	3,574	1,919
31,701	Multi-media system	30,150	36,000	41,029	5,029
5,000	Memorials and Benches	5,780	6,000	5,559	-441
0	Christmas Carol Service	250	250	154	-96

Margam Crematorium Income & Expenditure Account

Actual		Original Estimate	Revised Estimate	Actual	Variance Actual to Revised
2022/23		2023/24	2023/24	2023/24	2023/24
£	Expenditure	£	£	£	£
	Capital Costs				
58,780	Provision for Capital Works	250,000	100,000	66,334	-33,666
805,176	Gross Expenditure	1,094,728	994,285	965,974	-28,311
£	Income	£	£	£	£
-988,240	Cremation Fees	-946,150	-984,250	-981,615	2,635
-6,849	Urns & Caskets	-5,000	-7,500	-7,583	-83
-2,688	Book of Remembrance	-3,500	-3,500	-3,360	140
-37,648	Media Services income	-34,500	-40,000	-49,246	-9,246
-30,660	Memorials Income	-30,000	-28,000	-28,784	-784
-35	Bulb Donations	-50	-40	-161	-121
-0	Palm Sunday Donations	-160	-160	-184	-24
-32,490	Miscellaneous Income	-25,000	-35,000	-35,530	-530
-36,286	Investment income	-30,000	-87,000	-91,594	-4,594
-3,872	CAMEO refund	-3,000	-3,000	-3,119	-119
-1,138,768	Total Income	-1,077,360	-1,188,450	-1,201,276	-12,726
-333,592	Net spend before reserves	17,368	-194,165	-235,202	-41,037

Dividend payment to Local Authorities					
55,200	Neath Port Talbot	55,300	55,300	55,300	0
44,800	Bridgend	44,700	44,800	44,800	0
-233,592	Net Spend after Dividend payment	-117,368	-94,165	-135,202	-41,037

Margam Crematorium Income & Expenditure Account

Actual		Original Estimate	Revised Estimate	Actual	Variance Actual to Revised
2022/23		2023/24	2023/24	2023/24	2023/24
£		£	£	£	£
	Transfers to/-from Reserves				
135,526	General Reserve	-215,798	-4,254	36,293	40,547
100,000	Cremator Renewal Reserve	100,000	100,000	100,000	0
-934	Bulb Fund Reserve	50	39	161	122
0	Palm Sunday Reserve	-620	-620	-252	368
1,000	Net position funded by Authorities	1,000	1,000	1,000	0

Funding from Joint Authorities Contributions

-552	Neath Port Talbot	-553	-553	-553	0
-448	Bridgend	-447	-447	-447	0
0	Final Position after precept	0	0	0	0

1,639	Number of Cremations	1,500	1,550	1,559	9
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Margam Crematorium Balance Sheet

31st March 2023		31st March 2024
£		£
5,700	Memorial Bulb Account	5,861
4,434	Palm Sunday Reserve	4,182
1,007,305	General Reserve	1,043,598
800,000	Cremator Renewals reserve	900,000
1,817,439	Total Reserves	1,953,641
	Represented by:	
-34,919	Sundry Creditors	-62,693
1,867	Debtors	78,412
87	Petty Cash Account	87
-16,528	Receipts in Advance	0
1,866,932	Cash Balance	1,937,835
1,817,439		1,953,641

Minor Joint Committees in Wales Annual Return for the Year Ended 31 March 2023

Accounting statements 2023-24 for:

Name of body: Margam Joint Crematorium Committee

	Year ending		Notes and guidance for compilers
	31 March 2023 (£)	31 March 2024 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	1,582,847	1,817,439	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	+1,000	+1,000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	+1,138,768	+1,201,176	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-317,164	-350,435	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	-588,012	-715,539	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	1,817,439	1,953,641	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	+1,867	+78,412	Income and expenditure accounts only: Enter the value of debts owed to the body.
9. (+) Total cash and investments	+1,867,019	+1,937,922	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	-51,447	-62,693	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	1,817,439	1,953,641	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The 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).

Annual Governance Statement

We acknowledge as the members of the 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 2024, 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 checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" 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 Committee to conduct its business or on its finances.	<input checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<input checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" 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 Committee and, where appropriate, have included them on the accounting statements.	<input checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" 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

* 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.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statements and/or the Annual Governance Statement

1.


2.

3.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statements and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<p>Certification by the RFO</p> <p>I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2024.</p>	<p>Approval by the Council/Board/Committee</p> <p>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
<p>RFO signature: </p>	<p>Minute ref:</p>
<p>Name: Dafydd Huw Jones</p>	<p>Chair of meeting signature:</p>
<p>Date: 20th May 2024</p>	<p>Name:</p> <p>Date:</p>

Annual internal audit report to:

Name of body: Margam Joint Crematorium Committee

The 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 2024.

The internal audit has been carried out in accordance with the 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 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"/>	<input checked="" type="checkbox"/>	
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"/>	<input checked="" type="checkbox"/>	
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"/>	<input checked="" type="checkbox"/>	
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"/>	<input checked="" type="checkbox"/>	
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"/>	<input checked="" type="checkbox"/>	
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"/>	<input checked="" type="checkbox"/>	
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"/>	<input checked="" type="checkbox"/>	
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

	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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

For any risk areas identified by the Council/Board/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**	
11. Appropriate books of account have been properly kept throughout the year	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Areas to be audited are risk assessed and as a result MJCC is not audited annually. The last audit undertaken was undertaken during 2020/21 and a formal audit report issued on 22.10.21. The report was reported to the Margam Joint Committee in February 2022.</p> <p>During the last audit robust controls were found to be in place in relation to all areas of financial management. In addition to this all of the data in relation to MJCC is held within NPTCBC corporate financial systems which are audited annually and the work of Internal Audit is reviewed annually by WAO.</p> <p>The next annual audit of MJCC is due to be undertaken within the next 3 months.</p>
12. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	See above
13. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	See above

were appropriate.					
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* 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 Committee are included in my detailed report to the Committee dated _____.] * Delete if no report prepared.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2021-22 and 2022-23. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Anne-Marie O'Donnell

Signature of person who carried out the internal audit:
Date: 20.05.2024