

**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT OF THE TREASURER**

**COYCHURCH CREMATORIUM JOINT COMMITTEE**

**FRIDAY 7 JUNE 2013**

**STATEMENT OF ACCOUNTS 2012/13**

**1. Purpose of the Report**

- 1.1 The purpose of this report is to present the unaudited Statement of Accounts for the financial year 2012/13 to the Joint Committee and obtain approval to submit the annual return for Coychurch Crematorium to KPMG, the auditors appointed for the Joint Committee by the Wales Audit Office.

**2. Connection to Corporate Improvement Objectives / Other Corporate Priorities**

- 2,1 None.

**3. Background**

- 3.1 As the turnover of Coychurch Crematorium is less than £1m, there is no requirement under the Accounts and Audit Regulations for a formal Statement of Accounts to be prepared and audited. There is however a requirement for an annual return to be approved by this Committee and audited by 30<sup>th</sup> September 2013. This annual return has been completed and is attached as Appendix 1 to this report.

- 3.2 In addition a full Statement of Accounts has been prepared for information, the format and content of which is governed by the Account and Audit regulations. The 2012/13 accounts are attached as Appendix 2 to this report and have been produced in line with a the Code of Practice on Local Authority Accounting in the United Kingdom (the Code) for 2012 which is in line with International Financial Reporting Standards.

**4. Current Situation /Proposal**

- 4.1 The annual return (Appendix 1) shows that in 2012/13 Coychurch Crematorium made a net surplus of £123k (difference between Line 1 'Balances brought forward' and Line 11 'Balances carried forward'). This is different to the information contained in the full Statement of Accounts (Appendix 2) which shows that Coychurch Crematorium made a net

surplus of £124k as reported in the Comprehensive Income and Expenditure statement. This is because the Statement of Accounts includes an adjustment in respect of holiday entitlements as required by accounting practice. The surplus has been added to the accumulated reserve for the Crematorium brought forward at 31 March 2012, bringing the total of that reserve to £538k at 31 March 2013 compared to £415k in the preceding year.

4.2 The following table shows a summary of the final financial position for the Crematorium for 2012/13 as compared to the budget set at the start of the financial year.

**Table 1 – Crematorium Financial Position 2012/13**

<b>Actual</b>		<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>2011/12</b>		<b>2012/13</b>	<b>2012/13</b>	<b>2012/13</b>
<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b><u>Expenditure</u></b>			
234	Employees	244	236	(8)
279	Premises	277	253	(24)
122	Supplies, Services & Transport	133	146	13
86	Agency/Contractors	77	81	4
25	Administration	25	35	10
51	Capital Financing Costs	53	51	(2)
797	<b>Gross Expenditure</b>	<b>809</b>	<b>802</b>	<b>(7)</b>
	<b><u>Income</u></b>			
(890)	Crematorium Fees etc	(844)	(925)	(81)
(93)	<b>(Surplus)/Deficit</b>	<b>(35)</b>	<b>(123)</b>	<b>(88)</b>
(93)	<b>Transfer (to)/from Reserve</b>	<b>(35)</b>	<b>(123)</b>	<b>(88)</b>

4.3 Explanations for the more significant variances from budget are given below:

- A net underspend of £8k on employees as a result of a part year vacancy and a reduction in planned overtime.
- A net overspend of £13k on Supplies, Services & Transport due mainly to increases in the purchase / repair of equipment and additional printing costs.
- A net overspend of £10k on Administration as a result of an increase in central support recharges due to a change in the methodology used. The recharging methodology was reviewed in 2012/13 and amended to reflect current levels of support.

- Income for cremations was £81k above target for the year as the budget was based on the assumption that there would be a 20% reduction in cremations following the opening of the new crematorium in the Vale of Glamorgan. In actuality, the number of cremations dropped from 1,571 in 2011/12 to 1,484 in 2012/13, a reduction of 6%.

5. **Effect upon Policy Framework and Procedure Rules**

5.1 None.

6. **Equalities Impact Assessment**

6.1 There is no impact on specific equality groups and disability duties.

7. **Financial Implications**

7.1 The total surplus for the year of £123k reflects the decision to set aside money towards planned future works in relation to premises and equipment. This surplus has been added to the accumulated reserve for the Crematorium bringing the total of that reserve to £538k (£415k in 2011/12).

8. **Recommendation:**

It is recommended that the Joint Committee approves the annual return for Coychurch Crematorium for 2012/13.

**NESS YOUNG, CPFA**  
**CORPORATE DIRECTOR RESOURCES, S151 OFFICER**

**June 2013**

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**Background Papers**

Coychurch Crematorium Statement of Accounts 2012/13