

<b>SUBJECT:</b>	<b>2016/17 FINANCIAL OUTTURN</b>
<b>REPORT OF:</b>	<b>Treasurer of Chilterns Crematorium Joint Committee – Jim Burness</b>
<b>RESPONSIBLE OFFICER</b>	<b>Jim Burness</b>
<b>REPORT AUTHOR</b>	<b>Senior Accountant - Tracey Campbell, 01494 732204, tcampbel@chiltern.gov.uk</b>
<b>WARD/S AFFECTED</b>	<b>All</b>

## 1. Purpose of Report

- 1.1 To provide Members with financial outturn information for the Chilterns Crematorium for 2016/17.

### RECOMMENDATIONS

- That the financial outturn position for the year ended 31 March 2017 is noted.
- That the accumulated revenue surplus be retained by the Joint Committee for future capital investment.

## 2. Summary of Financial Outturn

- 2.1 The following table provides a summary of the financial outturn position for the year ended 31 March 2017.

Actuals £		Forecast Outturn as at Feb 2017 £	Actuals £
2015/16		2016/17	2016/17
367,383	Employee Expenses	371,300	372,314
275,599	Premises Expenses	270,710	245,680
226,335	Supplies and Services	223,925	231,685
<b>869,317</b>	<b>TOTAL EXPENDITURE</b>	<b>865,935</b>	<b>849,679</b>
(1,936,494)	Fees and Charges	(1,946,040)	(2,149,128)
(65,265)	Other Income	(67,050)	(80,995)
<b>(2,001,759)</b>	<b>TOTAL INCOME</b>	<b>(2,013,090)</b>	<b>(2,230,123)</b>
(1,132,442)	NET OPERATING SURPLUS	(1,147,155)	(1,380,444)
229,512	Capital/R&R Expenditure	400,140	155,220
<b>(902,930)</b>	<b>(Surplus)/Deficit FOR YEAR</b>	<b>(747,015)</b>	<b>(1,225,224)</b>

2.2 A more detailed breakdown is provided in Appendix 1.

2.3 The key points to note are:-

- A revenue surplus of £1,225k, compared to the forecast outturn of £747k. The improved surplus is attributable to capital expenditure being less than originally forecast, and higher income.
- Orders were raised for groundworks and maintenance of cremators and plant however the work was not received/carried out by 31<sup>st</sup> March so spend will be made in 2017/18
- An increase in medical referee fees, due to a higher than forecast number of cremations.
- Slough Crematorium was closed for six weeks in November/December 2016 which contributed to the additional income in the year. There will also be some additional income in 2017/18 as the Slough Crematorium is not due to be fully operational again until June.
- Of the £155k capital and repairs and renewal spend, £69k related to the proposed new crematorium, £71k on resurfacing of the car parks, £7k on Milton Chapel floor and £8k on the new computerised administration system. Irrecoverable VAT included within the total figure was £21k. The under spend on the forecast spend of £400k is due to the delay in the construction of the Aylesbury Crematorium.

2.4 The breakdown of the 2016/17 cremations compared to 2015/16 is:-

	2016/17	2015/16
Aylesbury Vale	756	721
Chiltern District	579	593
Wycombe District	910	904
South Bucks	307	231
Hertfordshire	482	478
Oxfordshire	103	84
Berkshire	318	150
Other areas	227	212
Total	3,682	3,373

## Balance Sheet

2.5 Appendix 2 shows the Balance Sheet for the Chilterns Crematorium.

2.6 The key points to note are:-

- Property, Plant & Equipment – This represents the value of the Crematorium’s assets and includes the site land, two chapels, offices, staff bungalows, crematory and other equipment. It also includes the land and preliminary works for the proposed Aylesbury Crematorium and stands at £5.5million. This includes additional capital which has been added to this value at cost. For 2016/17 an additional £148k has been included in the Total Asset value.
- Current Assets – This relates to items that could be turned into cash at short notice and is made up of debtors i.e. money owed to the Crematorium, or short term investments. Total current assets now stand at £6.7million.
- Current Liabilities – This relates to money the Crematorium owes to external bodies and organisations amounting to £94k. The main creditor for the Crematorium at year end is Chiltern District Council for salary recharges. It does not imply any delay in payment of monies owed.
- Financed by section – This section shows how assets and liabilities are funded. Not all of the items shown here are cash backed reserves. The main reserve represents amounts being held on behalf of constituent authorities to fund future capital projects.

## 3. Reserves

3.1 Reserves have increased by £1,225k over the year due to the in-year surplus. The total value of general and earmarked reserves as at 31 March 2017 now stands at £6,599,517.

3.2 As requested by Members, at the meeting of 4th February 2016, an earmarked reserve has now been established for the funding of the proposed Aylesbury Crematorium which now reflects the revised £7.25m capital budget less actual expenditure to 31<sup>st</sup> March 2017.

3.3 The table below shows the reserve balances apportioned between the constituent authorities.

	<b>AVDC £</b>	<b>CDC £</b>	<b>WDC £</b>	<b>Total £</b>
Balance 31.3.2016	1,611,533	1,503,847	2,258,913	5,374,293
Apportionment 2016/17 surplus	412,592	315,993	496,639	1,225,224
	2,024,125	1,819,840	2,755,552	6,599,517
<u>Balances retained</u>				
Earmarked for new Crematorium	1,757,228	1,582,935	2,395,827	5,735,990
General reserves	266,897	236,905	359,725	863,527
	2,024,125	1,819,840	2,755,552	6,599,517

3.4 The retention of the accumulated balance by the Joint Committee is necessary to meet scheduled future capital investment. As reported in the medium term financial strategy report in February 2017, once the new Crematorium in Aylesbury is completed in 2018, then the Committee will be in the position from 2019/20 to distribute surpluses.

<b>Background Papers:</b>	None
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