

**THE CITY OF CARDIFF COUNCIL, COUNTY BOROUGH COUNCILS  
OF BRIDGEND, CAERPHILLY, MERTHYR TYDFIL, RHONDDA  
CYNON TAF AND THE VALE OF GLAMORGAN**

**AGENDA ITEM NO:  
2015/2016 OUTTURN  
2015/2016 DRAFT WAO RETURN**

**THE GLAMORGAN ARCHIVES JOINT COMMITTEE 24<sup>TH</sup> JUNE 2016**

**REPORT OF THE TREASURER TO THE GLAMORGAN ARCHIVES JOINT COMMITTEE**

**FINAL OUTTURN POSITION & DRAFT WALES AUDIT OFFICE RETURN FOR 2015/2016**

**PURPOSE OF REPORT**

1. This report presents a brief overview of the financial results for the year, together with the unaudited draft WAO return for the year ended 31<sup>st</sup> March 2016. Section 3 of the return, 'Approval by the Body', requires completion but the unaudited draft financial statements are presented to this Committee today for information only.

**FINAL OUTTURN POSITION FOR 2015/16**

2. The Glamorgan Archives Joint Committee approved a proposed budget of £681,690 for the financial year 2015/2016, to be financed by contributions from each of the six member local authorities. The proposed budget was subsequently agreed and ratified by each member local authority.
4. The Table below summarises the final outturn position for financial year 2015/2016:

	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>
Expenditure	749,690	827,342	77,652
Income	(68,000)	(145,652)	(77,652)
Net Expenditure	681,690	681,690	0

5. **Appendix 1** provides a detailed analysis of the 2015/16 outturn.

6. The final net expenditure position at year end was balanced following a transfer of £4,058 to the General Reserve. In line with the 2016/17 Budget Report, it was agreed that future underspends would be retained within the service to ensure a suitable level of reserves going forward. This is in contrast to the previous approach of drawing down £100,000 per annum to fund running costs.
7. Savings were achieved on premises, transport and support services but costs on employees, supplies and services and third party payments all exceeded budget. Significant variations include utility bills costing considerably less than budgeted and conservation expenditure and income were both higher than anticipated. Any additional costs were offset by reduced support costs including Service Accountancy, ICT and vehicle recharges. There was also £43,065 income from grants which was not budgeted for in 2015/16.

<b><u>Movements on Glamorgan Archives General Reserve</u></b>	<b>£</b>
Balance brought forward at 1 <sup>st</sup> April 2015	(306,460)
Drawdown from general reserve	0
Transfer to general reserve	(4,058)
<b>Balance as at 31<sup>st</sup> March 2016</b>	<b>(310,518)</b>

#### **WALES AUDIT OFFICE ANNUAL RETURN FOR 2014/2015**

8. The draft Annual Return (attached) for the year ended 31<sup>st</sup> March 2016 is unaudited at this stage. The Wales Audit Office has yet to begin their audit of the accounts. In accordance with the 2005 Regulation the Annual Return will be available for public inspection for 20 full working days from Monday 27th June 2016 to Friday 22nd July 2016.
9. To meet the requirement of the Accounts and Audit (Wales) Regulations 2014 (as amended) the Annual Return must be approved by the Committee before 30<sup>th</sup> September immediately following the end of the financial year. If at this time the audit of the accounts has not concluded then the accounts must be approved as soon as reasonably practicable. Once the audit is complete and the Annual Return has been signed by the Wales Audit Office then it will be presented to the Committee for members to approve along with any certificate, opinion or report issued, given or made by the Wales Audit Office.

#### **LEGAL IMPLICATIONS**

10. The committee approved a draft budget which was submitted to each of the parties for approval. Each of the parties confirmed that their contribution was approved Under Section 5(a)(ii); the committee shall only have the power to spend within the agreed budget within any given year.

An underspend of £4,058 was transferred to the general reserves as agreed by member local authorities.

### **FINANCIAL IMPLICATIONS**

11. The financial performance for the year resulted in an underspend against the agreed budget of £4,058, without the need to utilise the budget £100,000 transfer from the general reserve. As agreed, in year changes have been made to the treatment of underspend, which will now to be retained within the service to allow the reserves to be maintained at a steady, secure level. Therefore, a £4,058 transfer to the reserve has been undertaken, rather than the planned £100,000 transfer from reserves.

Operational Assets were also revalued in year in line with Cardiff Council's capital programme. The revaluation showed an increase in value and these amendments can be seen in Appendix 2. These entries have no impact upon contributions required from each member local authority.

### **RECOMMENDATIONS**

1. That the outturn position for 2015/16 be noted.
2. That the attached draft Wales Audit Office Annual Return for 2015/16 be noted.

**Christine Salter**  
**Treasurer to the Glamorgan Archives Joint Committee**