

NORTH EAST SURREY CREMATORIUM BOARD**14th March, 2017****REPORT OF THE TREASURER****A. Management Agreement - performance 1st April 2016 to 31st December 2016 against Annual Budget, attached, for information.**

Transactions incurred under the Management Agreement are reflected in the attached and are compared with the revised Annual Budget approved by the Board in December.

These figures include residual costs incurred by Wandsworth Council and a breakdown of the costs invoiced by Enable from 1st April 2016 to 31st December 2016.

B. Interim accounts for the period 1st April 2016 to 22nd February 2016, attached, for information.

Item B attached shows transactions to date against the revised estimates approved by the Board in December.

(Line 3) Progress on the maintenance of buildings and plant is the subject of the Surveyor's report elsewhere on this agenda.

(Line 14) The expenditure on the Management Agreement represents the total invoiced by Wandsworth Council and Enable for the period to the end of December 2016.

Lines (19-37). Income reflects cash received to 27th February, but only takes account of amounts outstanding on Funeral Directors' accounts to the end of January. Income as a proportion of revised estimates at 86.2% is less than the equivalent position at this time last year (87.2%). It appears possible that the revised estimate of 1,760 cremations for 2016/17 will be exceeded.

Lines (44-50). Progress against the major elements of the capital programme is covered in the Surveyor's report elsewhere on this agenda. Work is substantially complete on some projects and invoices are expected to be received shortly.

C. Review of Internal Control, attached, for approval.**D. External Audit of Accounts**

Members will remember that it was confirmed in the summer of 2015 that BDO LLP would remain as the External Auditors to the board until the end of the 2016/17 financial year.

It has now been confirmed that the Board has been included in the new audit arrangements for smaller authorities. A separate independent company, Smaller Authorities' Audit Appointments Limited (SAAA), has been created to procure external audit services for smaller authorities and they have completed the first round of appointments.

PKF Littlejohn LLP have been appointed for the year commencing 1st April 2017 and for the subsequent four years to 31st March 2022 for the London and Surrey areas, therefore will be taking over the Board's audit from BDO LLP once the 2016/17 audit is completed. PKF Littlejohn are experienced in dealing with Crematorium Boards as they are the existing External Auditors for the South West Middlesex and Mortlake Crematorium Boards.

In addition, details of fees for the next five years are available on the SAAA website (<http://localaudits.co.uk/index.html>) and are in line with the current level of fees, which provides certainty on the cost of External Audit to the board for the next five years.

The Town Hall,
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February, 2017

J M Stevenson
Treasurer to the Board