



Report to:	North East Surrey Crematorium Board	Date:	12 March 2019
Report title:	Report of the Treasurer on the latest financial position		
Chair of Committee/Lead Member:	Councillor Michael Ryder		
Author(s)/Contact Number(s):	Mark Davies - Treasurer to the Board, 020 8871 6502		
Open/Exempt:	Open		

1. Summary

- 1.1 This report is to provide an update to the Board on the performance against the Management Agreement Annual Budget as approved in December 2018 and to provide an update to the Board on the latest Interim Accounts and a forecast for the 2018/19 financial year.

2. Recommendations

The North East Surrey Crematorium Board is recommended to:

- 2.1 Note the Management Agreement performance for the period 1 April 2018 to 31 January 2019, attached at Appendix A, for information, and
- 2.2 Note the Interim Accounts for the period 1 April 2018 to 31 January 2019, attached at Appendix B, for information.

3. Background / Update

3.1 Management Agreement performance 1 April 2018 to 31 January 2019

Transactions incurred under the Management Agreement are reflected in Appendix A attached and are compared with the Annual Budget approved by the Board in December 2018.

These figures include costs incurred by Enable and invoiced to the Board for the period from 1 April 2018 to 31 January 2019.

Total costs reimbursed by the Board to Enable to the period ending 31 January 2019 (10 months) amount to £353,314 against budgeted expenditure of £479,500 (74% of the total budget after 83% of the year) which indicates that there might be a small underspend come year end.

In summary, Cost of Sales is broadly in line with the expected expenditure profile (84% of the total budget after 83% of the year) but Administrative Costs are showing an underspend (72% of the total budget after 83% of the year). This is primarily on Salaries and associated staffing

costs (National Insurance and Pension Contributions) and also on Gas expenditure following the revision of the budget in December 2018.

3.2 Interim Accounts for the period 1 April 2018 to 31 January 2019

Appendix B attached shows transactions to date against the estimates approved by the Board in December 2018.

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

(Line 14) The expenditure on the WBC Management Agreement represents the total invoiced by Enable for the period to the end of January 2019 as covered in item 3.1 above.

(Line 22) Income reflects cash received to 22 February 2019, but only takes account of amounts activity on Funeral Directors' accounts to the end of January 2019. Income as a proportion of estimates at 87.1% (at 83% of the year) is above the equivalent position at this time last year (86.2%). Actual income levels in the current year (£1.151 million) are above the equivalent position from this time last year (£1.068 million) due to the continued and sustained increase in demand for cremation services and memorials.

It is anticipated that the revised estimate of 1,950 cremations for 2018/19 will be exceeded and that the final level for 2018/19 could end at around the same level achieved in 2017/18 (2,006 cremations) based on current trends and projections. The activity levels will continue to be kept under review with future financial estimates revised as necessary to reflect latest projections and trends.

(Line 28) Progress against the major elements of the capital programme is covered in the Surveyor's report elsewhere on this agenda.

(Line 32) Following approval of the distribution in December 2018 the distribution of balances totalling £500,000 to the constituent Councils occurred in December 2018.

(Line 33) Based on the Interim Accounts position to date the latest forecast position shows a balance on the Board's accounts as at the end of 2018/19 of £0.741 million. This is in line with the approved revised estimate which showed an expected balance of £0.736 million at the time of approval in December 2018. The overall position will continue to be monitored and reported to the Board at regular intervals throughout the financial year.

4. **Issues**

4.1 There are no other issues other than those already contained within this report.

5. **Options Considered**

5.1 There are no options considered or recommended as part of this report.

6. Impacts and Implications

Financial

6.1 The financial implications arising are contained within this report.

Legal

6.2 There are no legal implications arising from the matters contained within this report.

Other impacts and implications

6.3 There are no other impact and implications arising from the matters contained within this report.

7. Appendices and Background Documents

Appendix letter	Title
A	Management Agreement Performance 2018/19
B	Interim Accounts 2018/19

Audit Trail		
Version	Final	Date: 27 February 2019

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