

For publication

Accounts for the Year Ended 31st March 2023

Meeting: Chesterfield and District Joint Crematorium Committee

Date: 5th June, 2023

Portfolio: Cabinet Member for Climate Change, Planning & Environment

Report by: Treasurer to the Committee & Bereavement Services Manager

For publication

1.0 Purpose of the report

1.1 To report the Final Accounts of the Joint Committee for the year ended 31st March 2023 including the Revenue Account and Balance Sheet.

2.0 Recommendations

2.1 That the report be noted and the Statement of Accounts be approved.

2.2 That the carry forward requests are approved.

2.3 That the re-distribution to the three constituent authorities be approved.

3.0 Outturn

3.1 Appendix A is the Committee's Revenue Account for 2022/23 and shows a net surplus of £854,968 before any re-distribution of accumulated surpluses to the constituent authorities, compared with the revised estimated surplus of £700,000. The variations to the budget are as follows:

Table 1: Significant Variations Revised Budget to Out-turn

Description	Variance Adverse/ (Favourable) £'000
Employees - 3.2.1 Wages & Agency Staff overspend Overtime	10 (1)
Premises - 3.2.2 General Repairs - 3.2.3 Service Improvement Plan - 3.2.2 Trees & Shrubs - 3.2.2 Gen Grounds Mntnce - 3.2.2 Utilities - 3.2.2 Repairs to Cremators	(5) (37) (3) 4 (2) (8)
Transport - 3.2.3 General Transport Costs	(1)
Supplies & Services - 3.2.4 Other Misc overspends	1
Income - 3.2.5 Cremation fees & Medical Referees Fees - 3.2.6 CAMEO Income	(157) (1)

- 3.2.7 Other income	(27)
- 3.2.8 Movement in Reserves	72
Overall Decrease in Net Expenditure	(155)

3.2 The main variances are:

- 3.2.1 Employee Costs – the overspend was mainly caused by routine staffing costs due to the excess deaths and training being undertaken.
- 3.2.2 Premises Costs – there was an overall underspend of £51k on premises costs as detailed in table 1.
- 3.2.3 Transport Costs - there was a minor underspend of £1k on transport mainly on car allowances.
- 3.2.4 Supplies and Services - there were variances totalling £1k on other miscellaneous supplies & services.
- 3.2.5 Income – total income received was £185k more than the revised budget. The majority of this was due to cremation numbers being 223 higher than the revised budget estimate, increasing income by £157k.
- 3.2.6 The Cameo Scheme returned £1k more income than estimated at revised budget.
- 3.2.7 Other income was £27k more than budget including £8k from the sale of memorials and £17k additional interest on cash balances.
- 3.2.8 Reserve Movements - to produce a balanced budget it was not necessary to use funds held within the Revenue Reserve.

3.3 Carry Forwards

There are four schemes that require carrying forwards to enable

completion during 2023/24 totalling £36,795. The requests are shown in the table below:

Table 2: Carry forward requests

	£
Premises	
• Improvements to entrance area	10,000
• Repairs to paths	3,395
• Signage	4,000
• Improvements to pond area	19,400
Total Carry Forward Requests	36,795

If the carry forward requests are approved, the under spend in the year reduces to £118,173 and the surplus in 2022/23 reduces to £818,173.

3.4 Cremations

The table below shows the number of cremations by area over recent years. The number of cremations remained the same during 2022/23, compared to a decrease of 210 in 2021/22.

Table 3: Number of Cremations

Authority	2019/20	2020/21	2021/22	2022/23
Chesterfield BC	940	1,116	987	1,083
North East DDC	607	708	661	636
Bolsover DC	297	335	301	263
Sub-Total Constituent Authorities.	1,844	2,159	1,949	1,982
Other Areas	282	374	374	341
Total Cremations	2,126	2,533	2,323	2,323
Change year on year	4	407	(210)	0

Cremations from within the area increased by 33 (1.7%), and those from outside the Constituent Authorities decreased by 33 (8.8%). One reason for the decrease in cremation numbers from outside the area is the re-opening of one of the Sheffield crematoriums following refurbishment resulting in a reduction in cremations coming from the South Yorkshire area.

4.0 Balance sheet

4.1 There are five useable reserves shown in the Balance Sheet in Appendix B as follows:

- Revenue Reserve
- Mercury Abatement Reserve
- Equipment Reserve
- Cremator Repairs Reserve
- Capital Improvement Reserve

Further details of the movements on each of the reserves during the financial year are shown in Appendices C and D.

4.2 A summary of the movements on the Revenue Reserve is shown in Table 4 below:

Table 4: Movement on Revenue Reserves in 2022/23

	Revised Estimate £'000	Actual £'000	Change £'000
Reserves as at 31st March 2022	572	572	-
+ / (-) Tfr to Revenue	(72)	0	72
+ / (-) Surplus / (Deficit) in 2022/23	700	855	155
+ / (-) Redistribution to Authorities	(700)	(700)	
Accumulated Reserves as at 31st March 2023 before Carry Forwards	500	727	227

+ /(-) Carry forward requests		(37)	(37)
Balance after 2022/23 Carry Forwards	500	690	190

Source: Appendix C

After the redistribution of surpluses and carry forwards the current balance is £690k. The Committee's policy for the Revenue Reserve is to maintain a minimum balance of 10% of turnover, equivalent to £250k. This £440k additional surplus will be retained in the Revenue Reserve to provide further financial resilience in future years.

- 4.3 The Mercury Abatement Reserve is from income being set aside for any future purchases or upgrades of the plant. The balance at the end of 2022/23 was £1,238,892, up on the revised budget of £1,226,516 due to increased cremations.
- 4.4 The Equipment Replacement Reserve which provides for the replacement of mowers, etc has a balance of £33,060.
- 4.5 The Cremator Repairs Reserve has a balance of £332,984. The Crematorium has a five year maintenance contract. However, this reserve is retained to cover the cost of any significant repairs to the cremators and associated machinery not covered by the contract for example duct work etc.
- 4.6 The Capital Improvement Reserve has a balance of £677,928. Contributions to this reserve are made to cover the cost of major repairs/refurbishments as identified in the Service Improvement Plan. It should be noted that the three capital improvement schemes (air conditioning in chapel, car park lighting & CCTV and ventilation in the crematory) totalling £107.8k budgeted for in 2022/23 have been delayed and are now scheduled in 2023/24.
- 4.7 The Committee's Financial Strategy will be considered again at the December meeting when future plans taking into account any agreed revised level of fees will be reviewed.
- 4.8 Pensions - In the balance sheet, the pension net fund surplus (£120k) is shown as an asset and is matched by an equal and

opposite amount in the Pension Reserve Account on the other side of the balance sheet. At the end of 2021/22 the pension fund showed a deficit of £985k. This reversal of the deficit during 2022/23 is due to a reduction in the value of funded obligations.

- 4.9 There has been an increase in debtors (£71k) compared to 2021/22. This can be affected by the timing of the invoicing of Funeral Directors.

5.0 Redistribution

- 5.1 At the Joint Board meeting on 19th December 2022 it was agreed to redistribute £700k.

- 5.2 The amount redistributed to each authority is as follows:

Chesterfield BC	£385k
North East DC	£217k
Bolsover DC	£98k
	£700k

6.0 Annual Audit

- 6.1 The Committee needs to consider the financial statements and formally approve the Statement of Accounts.

7.0 Recommendations

- 7.1 That the report be noted and the Statement of Accounts be approved.
- 7.2 That the carry forward requests are approved.
- 7.3 That the re-distribution to the three constituent authorities be approved.

8.0 Reasons for recommendations

- 8.1 To ensure that Joint Committee approves the Statement of Accounts for 2022/23 and that a balanced revenue budget is maintained for 2023/24.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	To provide value for money services

Document information

Report author	Contact number/email
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Background documents These are unpublished works which have been relied on to a material extent when the report was prepared. Titles of background documents used: <ul style="list-style-type: none">- Accounting Records- Final Account Working Papers Location: Accountancy Services Section	
<i>This must be made available to the public for up to 4 years.</i>	
Annexes to the report	
Annex A	Revenue Account – year end 31 st March 2023
Annex B	Balance Sheet – year end 31 st March 2023
Annex C	Other Reserves – year end 31 st March 2023
Annex D	Capital Improvement Reserve – year end 31 st March 2023

