

## CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

25 July 2007

AGM – Town Hall, Spennymoor

### REPORT OF THE CLERK

#### 1. JOINT COMMITTEE REPRESENTATION

Would Members please note that at Annual Meetings of the City of Durham Council and Spennymoor Town Council, Councillor R G Dickie (Independent) and Councillor Mrs J L Wood (Labour) respectively were appointed to serve on the Joint Committee thereby replacing Councillor David Bell (Labour) and Councillor Mrs E Summerson (Labour)

**Recommended:** For Members' information.

*Background Papers:*

- *City of Durham Council Minute No. 15 (23 May 2007)*
- *Letter dated 22 May 2007 from Town Clerk of Spennymoor Town Council*

#### 2. CYCLE OF MEETINGS

(Minutes No 1958 (16 July 2003) and 2115 (25 October 2006) refer)

Would Members please note that, due to a clash of meetings, it has been requested that the next meeting of the Joint Committee be rescheduled from the 24 October to the 31 October. The venue for the meeting will remain unchanged and will take place in the Council Chamber at Spennymoor Town Hall.

**Recommended:** That Members agree for the next meeting to be held on the 31 October 2007.

#### 3. INTERNATIONAL BURIAL AND CREMATION CONFERENCE AND EXHIBITION – 12-14 NOVEMBER 2007

On the usual basis, two places have been reserved at the above Conference to enable the Chairman and the Superintendent and Registrar to attend the event.

**Recommended:** Members are asked to endorse the action taken.

*Background Papers:*

- *Memo dated 15 May 2007 from the Superintendent and Registrar*

#### 4. MEMBERS' VISIT TO THE CREMATORIUM

(Minute No 1958 (16 July 2003) and 2100 (19 July 2006) refer)

Following the success of last year's visit to the Crematorium by Members of the constituent Authorities, it is proposed that similar arrangements are made for a visit to take place in November 2007.

**Recommended:** That Members approve the action proposed.

**CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE**

**25 JULY 2007**

**REPORT OF SUPERINTENDENT AND REGISTRAR**

**1 CREMATIONS**

I have to report, for your information, the following statistics relating to the Crematorium for the period 1 April 2007 to 30 June 2007 inclusive:

	<b>2002/2003</b>	<b>2003/2004</b>	<b>2004/2005</b>	<b>2005/2006</b>	<b>2006/2007</b>	<b>2007/2008</b>
APRIL	198 + 7*	159 + 9*	202 + 4*	204 + 2*	195 + 6*	138
			+ 10**	+ 21 **		
MAY	188 + 6*	194 + 3*	186 + 2*	189 + 1*	173 + 1*	197 + 6*
		+ 7**	+ 4**			
JUNE	173 + 7*	168 + 8*	188 + 6*	218 + 5*	187 + 7*	172 + 1*
		+ 9**	+ 9**	+34**		
TOTAL	559 + 20*	521 + 20*	576 + 12*	611 + 8*	555 + 14*	507 + 7*
		+ 16**	+ 23**	+ 55**		

\* = NVF

\*\* = STs

\*\*\* = BODY PARTS

Durham                    163  
Outside Area            344 (Listed at Appendix A)

**Total                    507**

**Recommended:** Members are asked to note the report.

**2 MEMORIAL GARDEN - SALE OF VASE BLOCKS AND PLAQUES**

I would wish to advise the Committee that during the period 1 April 2007 and 30 June 2007, the following Vase Blocks and Memorial Plaques have been sold:

Vase Blocks            15  
Large Plaques        28  
Small Plaques        8

**Total                    51**

Financial Information (Net of V.A.T.)

Vase Blocks            6,176.30  
Large Plaques        7,941.49  
Small Plaques        1,395.84

**Total                    15,513.63**

**Recommended:** Members are asked to note the report.

### **3 FEDERATION OF BURIAL and CREMATION AUTHORITIES – MERCURY ABATEMENT SEMINAR**

The Superintendent and Registrar attended a Seminar on 28<sup>th</sup> June which was held in order to update the profession on the progress being made towards the 50% Mercury Abatement target of 31<sup>st</sup> December 2012. The Head of The Local Air Pollution Team in DEFRA, Mr Mike Etkind, gave his view on the current position. Overall he was encouraged that surveys of Crematoria Operators have indicated that the 50% reduction in Mercury Emissions will be met by the required date, however, he was less confident that the rate of actual installations was progressing as quickly as would be necessary to meet the target. Mr Etkind warned Crematoria Operators that the Legislation does have teeth and that if satisfactory progress is not made by the industry, Government will not fail to change the rules to ensure that busy Crematoria have to abate. Details of each Crematorium's progress is being regularly up-dated by CAMEO (Crematoria Abatement of Mercury Emissions Organisation) and reports are being submitted to DEFRA. DEFRA is encouraging all Crematoria Operators to subscribe to CAMEO later this year as CAMEO has been charged by the Government to collate and Audit all Crematoria Emissions in relation to Mercury Abatement.

Crematorium Operators were reminded that they must have advised their local Regulator of their intentions in respect of Mercury Abatement and that Regulators would themselves take a tough line if Crematoria that have advised that that Abatement Equipment will be installed by 31.12.2012 have failed to do so by that date.

**Recommended:** That the CDCJC confirm their intention to install Mercury Abatement Equipment by 31<sup>st</sup> December 2012 and that the Superintendent and Registrar make the necessary arrangements for the CDCJC to join the CAMEO scheme at the appropriate time.

### **4 INFLUENZA PANDEMIC – PLANNING**

(Minute Nos 2083 (26<sup>th</sup> April 2006) 2104 (19<sup>th</sup> July 2006) 2121 (25<sup>th</sup> October 2006) and 2136 (17<sup>th</sup> January 2007) refers)

Training is still to be arranged. It has been necessary to wait until the relined Cremators have "bedded in" on the recommendation of the Service Engineers, but the dates will be set shortly.

**Recommended:** Members are asked to note the report.

*Background papers: email to Superintendent and Registrar from Regional Epidemiologist 11<sup>th</sup> January 2006, email to Superintendent and Registrar from Epidemiologist 10<sup>th</sup> March 2006. Letter to Superintendent and Registrar from Mrs K. Callaghan 16<sup>th</sup> May 2006. Letter from Superintendent and Registrar to Mrs K. Callaghan 19<sup>th</sup> May 2006.*

*Briefing Note to Superintendent and Registrar from Andrew Morkot (Darlington and Durham C.C.U. email 7<sup>th</sup> June 2006 to Superintendent and Registrar and Treasurer to Central Durham Crematorium Joint Committee from Gaynor Young, Durham and Darlington C.C.U. 24<sup>th</sup> May 2006 and 1<sup>st</sup> June 2006 and 30<sup>th</sup> July 2006. Email to Gaynor Young from Superintendent and Registrar 3<sup>rd</sup> July 2006 email to Superintendent and Registrar from Hazel Jackson 13<sup>th</sup> September 2006. Email to Andrew Morkot from Superintendent and Registrar 19<sup>th</sup> September 2006. Email to Superintendent and Registrar from Andrew Morkot 19<sup>th</sup> September 2006.*

### **5 MEMORIAL GARDEN PHASE III**

(Minute Numbers: 2086 (26<sup>th</sup> April 2006) 2105 (19<sup>th</sup> July 2006) 2122 (25<sup>th</sup> October 2006) and 2137 (17<sup>th</sup> January 2007) refer).

The lowest Tender was submitted by Cavetto Landscapes in the sum of £176,987.97. Cavetto Landscapes built Phase I and II of the Memorial Garden which was completed to the highest standard and indeed won a Durham County Council Environment Award in 2002.

The contractual arrangements were made by City of Durham Legal Services and signed on 15 June 2007.

Work on site began on Monday 25 June, although excavation works were delayed due to the very wet weather that week. The site works are due to be completed on 20<sup>th</sup> November 2007.

**Recommended:** Members are asked to note the Report.

*Background papers: Letter from Southern Green to Superintendent and Registrar 2.9.2006. email from Southern Green 14.07.2006. Letter to Superintendent and Registrar from Southern Green 25.7.2006. . Letter to Durham City Planning Control from Southern Green 01.08.2006, email to Superintendent and Registrar from Southern Green 17.09.2006. letter to Durham City Planning Development Control from Southern Green 26.09.2006. letter to Southern Green from Durham City Planning Development Control 28.09.2006. email to Superintendent and Registrar from Southern Green 06.10.2006. Memo to Legal and Democratic Services Manager from Superintendent and Registrar 22.11.2006. Memo to Legal and Democratic Services Manager from Southern Green 12.09.2006. Memo to Superintendent and Registrar from to Legal and Democratic Services Manager 15.12.2006. Memo to Superintendent and Registrar from Southern Green 15.12.2006. Email R. Langdon to Superintendent and Registrar 05.06.2007. Email from R. Langdon to Superintendent and Registrar 06.06.2007. email from Richard Langdon to Superintendent and Registrar 15.06.2007. email from Superintendent and Registrar to Southern Green 05.06.2007. Email from Southern Green to Superintendent and Registrar 26.06.2007.*

## **6 LIFE AND SOUL GARDEN**

A Life and Soul Garden Display was set up in the Crematorium Waiting Room on 15<sup>th</sup> May 2007 and was collected on 23<sup>rd</sup> May 2007. This proved a successful exercise and much interest was shown by visitors to the Crematorium in the project. On 26 June 2007 the Superintendent and Registrar was invited to Finchale College to view the garden in progress. The garden will be displayed at the Tatton Park Show, Cheshire, in mid July, and the Gateshead Show at the end of July. It is expected that the Life and Soul Garden will be installed at the Crematorium during November 2007.

**Recommended:** Members are asked to note the report.

## **7 RELINE OF CREMATORS**

All three Cremators were relined in April 2007 and the works were completed on time and within budget.

During the reline period, six services a day were held at Durham Crematorium with the Cremations taking place at Mounsett, Darlington and Sunderland Crematoria. A hearse was hired to enable the coffins to be transferred to the other Crematoria with due dignity. The driving and escort duties were carried out by the Crematorium Staff.

**Recommended:** Members are asked to note the report.

'APPENDIX A'

2007	APRIL	MAY	JUNE
AUSTRALIA			
BARNARD CASTLE			
BILLINGHAM	1		
BINCHESTER			
BIRTLEY			
BISHOP AUCKLAND	10	19	13
BISHOP MIDDLEHAM		2	
BLACKHALL			1
BERWICK			
BURNHOPE			
CHESTER			
CHESTER LE STREET	8	1	9
CHESTER MOOR			
CHILTON	2	3	3
CONSETT	2		
CORNSAY			
OUNDON	3	2	2
COWSHILL			
CROOK	3	10	4
DARLINGTON			
EASINGTON		5	5
EAST RAINTON			
EDMONDSLEY			
ESH			
ESH WINNING			1
FENCEHOUSES	1	1	
FERRYHILL	3	10	14
FISHBURN	1		
FROSTERLEY		1	
GUISBOROUGH			1
GREAT LUMLEY		1	
HAMSTERLEY			
HARTLEPOOL	2		
HASWELL		4	1
HETTON LE HOLE	1	1	5
HIGH ETHERLEY			
HIGH RICKLETON			
HORDEN	1	4	2
HOUGHTON			2
HOWDEN		1	
HUNWICK	3	2	1
LANCHESTER		1	
LANGLEY PARK		2	2
LEEDS			
LONDON			
MIDDLETON/Teasdale			
MIDDLESBROUGH			
MORPETH			
MURTON	2	1	5
NEW BRANCEPETH			
NEWCASTLE			1
NEWTON AYCLIFFE	5	4	3
NORTHALLERTON			
OUSTON			
PELAW			

PETERLEE	3	12	5
SACRISTON	1	2	
SEAHAM	3	2	1
SCOTLAND			
SEDGEFIELD	1	6	3
SHILDON	2	4	4
SHINEY ROW			1
SHOTTON	2	1	2
SOMERSET			
SOUTH HETTON		1	
STAINDROP			
STANHOPE	1	4	1
STANLEY	2	1	1
STATION TOWN		1	
STOCKTON			
SUNDERLAND			
SUNNYBROW			
THIRSK		3	1
THORNLEY			
TOFT HILL		1	1
TOW LAW	3		
TRIMDON	5	2	
WALES		5	1
WASHINGTON	2		
WEST AUCKLAND	2		
WEST CORNFORTH	4	5	1
WHEATLEY HILL	3	3	6
WILLINGTON	2	7	4
WINGATE	3	3	5
WINLATON			4
WOLSINGHAM	2		
YORK		1	
TOTALS	89	139	116

CITY OF DURHAM

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

25<sup>TH</sup> JULY, 2007

REPORT OF TREASURER

1. DRAFT STATEMENT OF ACCOUNTS 2006/07

This report outlines the main financial results for the year ended 31<sup>st</sup> March, 2007. They summarise the income and expenditure incurred by the Crematorium and highlight any change to the financial position that occurred during the year.

The 2006/07 revised estimates anticipated that the Crematorium would achieve a surplus of £290,567. This was based on an estimated 2,180 cremations for the year and permitted a contribution to reserves of £231,000. During 2006/07, the number of cremations carried out was 2,323. £331,000 was transferred to reserves, an increase of £100,000 compared to the revised estimate. This has led to a surplus of £318,760, £28,193 more than the revised estimate.

This slightly increased revenue surplus can be summarised as follows:

	£	£
<b><u>Income</u></b>		
Increased fees and charges	127,841	
Increased interest	12,460	140,301
<b><u>Expenditure</u></b>		
Increased administration and other expenses included BALAS, Memorial Garden, Book of Remembrance, Medical Referees	46,068	
Reduction in premises costs	(15,894)	
Reduction in employee costs	(18,066)	12,108
<b><u>Reserves</u></b>		
Increased contribution to reserves		100,000
<b>INCREASED SURPLUS</b>		<b>28,193</b>

In 2006/07, the Crematorium has made a contribution of £331,000 to its reserves to facilitate the replacement of the cremators and redevelopment of its buildings. The Crematorium has begun work on the second phase of the Memorial Garden. The overall position of the funds is set out on the next page.

Reserve	Balance at start of year £	Contribution to Reserves £	Funding of Capital Expenditure £	Balance at 31.3.07 £
Cremator Replacement	726,897	244,999		971,896
Masterplan Fund	136,760	65,000	(10,800)	190,960
Cremator Delivery Fund	30,000	15,000		45,000
Small Plant Fund	1	4,000		4,001
Central Heading Fund	6,000	2,000		8,000
<b>TOTAL</b>	<b>899,658</b>	<b>330,999</b>	<b>(10,800)</b>	<b>1,219,857</b>

During 2006/07, a total of £202,500 was distributed to the Constituent Authorities.

The following is the position for the Constituent Authorities at 31<sup>st</sup> March 2007:

	City of Durham £	Spennymoor £	Total £
Balances in favour of authorities at 1 <sup>st</sup> April 2006	315,717	78,930	394,647
<b>Add:</b> 2006/07 Surplus	255,008	63,752	318,760
	570,725	142,682	713,407
<b>Less:</b> Distributed to authorities	162,000	40,500	202,500
<b>Balance as at 31<sup>st</sup> March 2007</b>	<b>408,725</b>	<b>102,182</b>	<b>510,907</b>

The balance of £510,907 is £28,193 greater than the revised estimate of £482,714.

The 2006/07 Statement of Accounts has been prepared on the basis of this revised guidance. The Draft Statement of Accounts is attached at Appendix A.

The Committee is asked to note that the Crematorium buildings have been revalued.

The Committee is also asked to note that there is a new requirement that there should be an independent review of Internal Audit. The Internal Audit service is provided by the host authority, the City of Durham. In its 2005/06 Statement of Internal Control, the Joint Committee recognised that its system of internal control included the Audit Overview Committee of its lead authority, City of Durham Council. This Committee has carried out an independent and comprehensive review of internal audit and concluded that there was a 'strong and robust system of internal audit which is clearly defined and working in accordance with relevant Codes of Practice and that these arrangements can be relied on and considered to be effective in accordance with the requirements of Regulation 6 of the Accounts and Audit Regulations 2006'.



Thus, the Joint Committee can be satisfied that the independent review has been carried out and that it has established effective arrangements for internal audit, thus complying with all statutory requirements.

**Recommendation**

The Joint Committee is asked to approve the Draft Statement of Accounts for 2006/07.

**2. AUDITED STATEMENT OF ACCOUNTS 2005/06**

The Committee is asked to note that the Audit Commission have certified the 2005/06 Statement of Accounts. They have found that the information contained in the annual return is in accordance with the Audit Commission's requirements and that no matters have come to their attention giving cause for concern or which they wish to draw to the attention of the Committee.

**Recommendation**

That the information be noted.

# Local Councils in England

## Annual return for the year ended

### 31 March 2007

Local councils in England (Parish Meetings, Parish and Town Councils) and Joint Committees thereof must complete an annual return summarising their annual activities at the completion of each financial year. Members are responsible for ensuring that financial management is adequate and effective and that the council has a sound system of internal controls.

The annual return on the following pages is made up of five sections. Sections 1 and 2 are to be completed by the person nominated by the council and section 4 by the council's internal audit provider. Section 5 contains guidance on completion. Section 3 will be completed by the external auditor.

**Please complete all relevant sections, which are highlighted in green for your convenience. Do not leave any green box blank.** Incomplete or incorrect returns may require additional external audit work incurring additional costs charged in accordance with the Commission's approved skill related fee scale.

When sections 1 and 2 have been approved by the council and section 4 is complete, please send the annual return, together with any additional information requested, to your appointed external auditor who will add the certificate and opinion in section 3.

**Unless requested, please do not send any original financial records to the external auditor. If required, your auditor will identify and ask for any documents needed for audit.**

Please complete this checklist		Done?
All sections	All green boxes have been completed?	
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	
Section 1	Council approval confirmed by signature of Chair of meeting approving accounts? <b>NB: Approval of the annual return must be no later than 31 August 2007.</b>	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2007 agreed to Box 8?	
	An explanation of any difference between Box 7 and Box 8 is provided?	
Sections 1 and 2	Trust funds – all disclosures made if council is a sole managing trustee? <b>NB: Do not send trust accounts unless requested.</b>	
Section 2	For any statement to which the response is 'no', an explanation is provided?	N/A
Section 4	All green boxes completed by internal audit and explanations provided?	YES

Audited and certified annual returns will be returned to the council for publication in accordance with the Accounts and Audit Regulations. There is no requirement for councils to publish internal audit's annual report although councils may choose to do so.

Guidance notes and instructions for completion are included at relevant points in the annual return. In the event that further guidance may be required, councils should refer to the NALC/SLCC practitioners' guide (*Governance and Accountability in Local Councils in England and Wales*) or contact NALC through County Associations or SLCC through the helplines set up for this purpose. It should not be necessary for councils to contact the external auditor or the Audit Commission directly for guidance.

# Section 1 – Statement of accounts

THE CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE COUNCIL/MEETING

In completing the boxes below please explain any significant variances, including any difference between Box 7 and Box 8, on a separate sheet and send this to the external auditor together with a copy of your bank reconciliation as at 31 March 2007. See page 6 and the *Practitioners' Guide* for further guidance.

	Year ending		Notes and guidance for compilers
	31 March 2006 £	31 March 2007 £	
1 Balances brought forward	961,649	1,294,305	Total balances and reserves at the beginning of the year as recorded in the council's financial records. Value must agree to Box 7 of previous year.
2 (+) Annual precept	0	0	Total amount of precept received in the year.
3 (+) Total other receipts	976,949	1,098,871	Total income or receipts as recorded in the cashbook minus the precept. Includes support, discretionary and revenue grants.
4 (-) Staff costs	(178,494)	(189,485)	Total expenditure or payments made to and on behalf of all council employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses.
5 (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).
6 (-) Total other payments	(465,799)	(472,927)	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	1,294,305	1,730,764	Total balances and reserves at the end of the year. (Must equal (1+2+3) – (4+5+6))
8 Total cash and investments	1,388,345	1,680,985	The sum of all current and deposit bank accounts, cash holdings and investments held as at 31 March – to agree with bank reconciliation.
9 Total fixed assets and long term assets	2,433,959	838,096	The recorded book value at 31 March of all fixed assets owned by the council and any other long term assets e.g. loans to third parties.
10 Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

**Trust funds disclosure note** – the council acts as sole trustee for and is responsible for managing [a] trust fund[s]/assets. (Readers should note that the figures above do not include any trust transactions.)

I certify that the statement of accounts contained in this annual return presents fairly the financial position of the council and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2007.

Signed by Responsible Financial Officer:

Date

I confirm that these accounts were approved by the council and recorded as council minute reference:

Date

Signed by Chair of meeting approving council's accounts:

Date

## Section 2 – Annual governance statement

JOINT COMMITTEE

We acknowledge as the members of THE CENTRAL DURHAM CEMETERY COUNCIL/MEETING our responsibility for the preparation of the statement of accounts and for the council's internal controls, and confirm, to the best of our knowledge and belief, with respect to the council's statement of accounts for the year ended 31 March 2007 in section 1, that:

	Agreed – Yes or No*	'Yes' means that the council:
1 we have approved the statement of accounts which has been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES.	prepared its statement of accounts in the way prescribed by law.
2 we have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	YES	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 we have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the council to conduct its business or on its finances.	YES	has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4 we have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	YES	has during the year given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 we have carried out an assessment of the risks facing the council and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES	considered the financial and other risks it faces in the operation of the council and has dealt with them properly.
6 we have maintained throughout the year an adequate and effective system of internal audit of the council's accounting records and control systems and carried out a review of its effectiveness.	YES	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the council and reviewed the impact of this work.
7 we have taken appropriate action on all matters raised in reports from internal and external audit.	YES	has responded to matters brought to its attention by internal and external audit.
8 we have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the council and, where appropriate have included them in the statement of accounts.	YES	disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.
<b>Trust funds</b> – in our capacity as the sole managing trustee we have discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.		has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by the council and recorded as council minute reference

dated

Signed on behalf of  COUNCIL/MEETING

Signed by: Chair  Date

Signed by: Clerk  Date

## Section 3 – External auditor’s certificate and opinion

### Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2007 of

COUNCIL/MEETING

### Respective responsibilities of the council and the auditor

The council is responsible for the preparation of the accounts in accordance with the requirements of the Accounts and Audit Regulations and for the preparation of an annual return which:

- summarises the council’s accounting records for the year ended 31 March 2007; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

### External auditor’s report

(Except for the matters reported below)\* on the basis of our review, in our opinion the information contained in the annual return is in accordance with the Audit Commission’s requirements and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (\*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the council/meeting:

(continue on a separate sheet if required)

External auditor’s signature

External auditor’s name  Date



## Section 4 – Annual internal audit report to

THE CENTRAL QUEEN CEMETERY JOINT COMMITTEE COUNCIL/MEETING

The council's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2007.

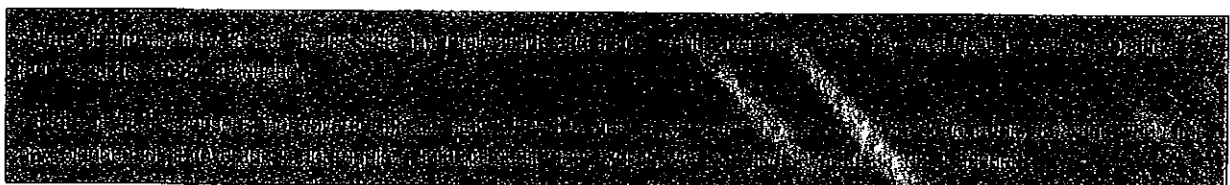
The internal audit has been carried out in accordance with the council's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and, opposite, are the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the council.

	Agreed? Please choose from one of the following Yes/No*/Not covered**
A Appropriate books of account have been properly kept throughout the year.	YES
B The council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	YES
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES
D The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	NIA
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES
F Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	YES
G Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	YES
H Asset and investments registers were complete and accurate and properly maintained.	YES
I Periodic and year-end bank account reconciliations were properly carried out.	YES
J Year-end accounts were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with cash book, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.	YES

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit:

Signature of person who carried out the internal audit:  Date:



## Section 5 – Guidance notes on completing the 2007 annual return

- 1 Please make sure that your annual return is complete (i.e. no empty green boxes), properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are approved by the council, properly initialled and an explanation for them is provided to the auditor. Annual returns containing unapproved and/or unexplained amendments will be returned unaudited.
- 2 Use the checklist provided on page 1. Use a second pair of eyes, perhaps internal audit or the Chair just before he or she signs it, to review your annual return for completeness before sending it off to the auditor.
- 3 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers **all** your bank accounts. If your council holds any investments, please note their value on the bank reconciliation. The auditor should be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliations is available in the *Practitioners' Guide\**.
- 4 Please **explain fully** significant variances in the statement of accounts. Do not just send in a copy of your detailed accounts instead of this explanation. The auditor wants to know that **you** understand the reasons for the change. Please include a relevant analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide\** to assist you.
- 5 Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful. If the auditor has to review unsolicited information, this will take additional time and may incur additional cost for which the auditor is entitled to charge.
- 6 Please make sure that your statement of accounts adds up! Also please ensure that the balance carried forward from the previous year (Box 7 of 2006) equals the balance brought forward in the current year (Box 1 of 2007).
- 7 **Do not complete section 3.** This section is reserved for the external auditor who will complete it at the conclusion of their audit.
- 8 Use the *Practitioners' Guide\** for guidance. This publication is regularly updated and contains everything you should need to prepare successfully for your financial year-end and the subsequent statutory audit. Both NALC and SLCC have helplines open should you wish to talk through any problem you may encounter.
- 9 **Please note that additional disclosures are required from 2007 in sections 1 and 2 of this annual return for councils which are appointed as sole managing trustee of a local trust or trusts.**
- 10 **Please also note that the Accounts and Audit Regulations 2003 (as amended in 2006) require all bodies to carry out and report on an annual review of the effectiveness of internal audit. Guidance on how this requirement may be met is enclosed and will be incorporated into future editions of the *Practitioners' Guide\**.**
- 11 **The statement of assurance has been renamed as the annual governance statement to bring it in line with best practice.**