

## **Mountsett Crematorium Joint Committee**



**29 July 2011**

**Financial Monitoring Report – Position at  
30/06/11, with Projected Outturn at 31/03/12**



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### **Joint Report of Terry Collins – Corporate Director: Neighbourhood Services; Don McLure – Corporate Director: Resources and Treasurer to the Joint Committee**

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#### **Purpose of the Report**

1. The purpose of this report is to set out details of income and expenditure in the period 1 April 2011 to 30 June 2011, together with the provisional outturn position for 2011/12, and highlighting areas of over / underspend against the revenue budgets at a service expenditure analysis level.
2. The report also sets out details of the funds and reserves of the Joint Committee at 1 April 2011 and initial outturn position at 31 March 2012, taking into account the provisional financial outturn.

#### **Background**

3. Scrutinising the financial performance of the Mountsett Crematorium is a key role of the Joint Committee. Regular (quarterly) budgetary control reports are prepared by the Treasurer and aim to present, in a user friendly format, the financial performance in the year to date together with a forward projection to the year end. Routine reporting and consideration of financial performance is a key component of the Governance Arrangements of the Mountsett Crematorium.

#### **Financial Performance**

4. Budgetary control reports, incorporating outturn projections, are considered by Neighbourhood Services' Management Team on a monthly basis. The County Council's Corporate Management Team also considers monthly budgetary control reports, with quarterly reports being considered by Cabinet / Overview and Scrutiny Committee. The outturn projections for the Mountsett Crematorium are included within this report.
5. The figures contained within this report have been extracted from the General Ledger, and are provisional at this stage, they have been scrutinised and supplemented with information supplied by the Superintendent Registrar. The following table highlights the provisional outturn financial performance of the Mountsett Crematorium:

<b>Subjective Analysis</b>	<b>Base Budget 2011/12 £</b>	<b>Year to Date Actual – April – June £</b>	<b>Probable Outturn 2011/2012 £</b>	<b>Variance Over/ (Under) £</b>
Employees	114,615	26,479	109,565	(5,050)
Premises	106,835	3,172	106,835	0
Transport	300	85	300	0
Supplies & Services	54,785	3,641	54,785	0
Agency & Contracted	17,415	0	10,415	(7,000)
Central Support Costs	22,200	0	22,200	0
<b>Gross Expenditure</b>	<b>316,150</b>	<b>33,377</b>	<b>304,100</b>	<b>(12,050)</b>
<b>Income</b>	<b>(561,540)</b>	<b>(47,286)</b>	<b>(561,540)</b>	<b>0</b>
<b>Net Income</b>	<b>(245,390)</b>	<b>(13,909)</b>	<b>(257,440)</b>	<b>(12,050)</b>
<b>Transfer to Reserves</b>				
- Repairs Reserve	15,000	0	15,000	0
- Cremator Reserve	65,500	0	77,550	12,050
<b>Distributable Surplus</b>	<b>(164,890)</b>	<b>0</b>	<b>(164,890)</b>	<b>0</b>
<b>65% Durham County Council</b>	<b>107,178</b>	<b>0</b>	<b>107,178</b>	<b>0</b>
<b>35% Gateshead Council</b>	<b>57,712</b>	<b>14,428</b>	<b>57,712</b>	<b>0</b>
<b>Mountsett Crematorium Earmarked Reserves</b>	<b>Balance @ 1 April 2011 £</b>	<b>Transfers to Reserve £</b>	<b>Transfers From Reserve £</b>	<b>Balance @ 31 March 2012 £</b>
Repairs Reserve	14,215	15,000	0	29,215
Cremator Reserve	279,239	77,550	0	356,789
<b>Total</b>	<b>293,454</b>	<b>92,550</b>	<b>0</b>	<b>386,004</b>

### **Explanation of Significant Variances between Original Budget and Forecast Outturn**

9. The 2011/2012 probable outturn, based on transactions to 30<sup>th</sup> June 2011, gives a very prudent approach to the anticipated position with regards to expenditure and income.

#### **9.1 Employees**

The outturn is showing an anticipated saving of **(£5,050)** against the approved budget. These savings are as a result of the revised working patterns (including the change in working requirements during the winter months) that were implemented last year but which are not currently reflected in the base employees budget.

## 9.2 **Premises**

There is no anticipated variance to budget at this stage.

## 9.4 **Transport**

There is no anticipated variance to budget at this stage.

## 9.3 **Supplies and Services**

There is no anticipated variance to budget at this stage.

## 9.4 **Agency and Contracted**

As a result of the revised working practices/ duties undertaken by crematorium staff during 2010/2011 it is anticipated that an element of the Grounds Maintenance budget will not be required during this financial year. It should be noted however, an element has been retained to cover the anticipated costs in relation to Winter Maintenance and snowing clearing. The outturn therefore indicates a prudent anticipated saving of (£7,000).

## 9.5 **Income**

There is no anticipated variance to budget at this stage.

## 9.6 **Earmarked Reserves**

Contributions from the revenue surplus towards earmarked reserves are forecast to be £12,050 additional to budget. This is as a result of the savings from employee working patterns and the subsequent saving from the Grounds maintenance budget.

The retained reserves of the Mountsett Crematorium Joint Committee at 31 March 2012 are forecast to be **£386,004**, representing a £92,550 (31%) increase over the opening position at 1 April 2011.

## **Recommendations and reasons**

10 It is recommended that:-

- Members note the April to June 2011 revenue spend financial monitoring report ,associated provisional outturn position and the forecast Crematorium earmarked reserve balances at 31 March 2012.

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## **Appendix 1: Implications**

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### **Finance**

Full details of the year to date and projected outturn financial performance of the Mountset Crematorium are included within the body of the report.

### **Staffing**

There are no staffing implications associated with this report.

### **Risk**

The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information supplied by the Superintendent and Registrar. The projected outturn has been produced taking into consideration the spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by the Superintendent and Registrar, should mitigate the risks associated with achievement of the forecast outturn position.

### **Equality and Diversity / Public Sector Equality Duty**

There are no Equality and Diversity implications associated with this report.

### **Accommodation**

There are no Accommodation implications associated with this report.

### **Crime and Disorder**

There are no Crime and Disorder implications associated with this report.

### **Human Rights**

There are no Human Rights implications associated with this report

### **Consultation**

None. However, Officers of Gateshead Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the Joint Committee.

### **Procurement**

None

### **Disability Issues**

None

### **Legal Implications**

The outturn proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

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