



Report to: **Mansfield and District Joint Crematorium Committee**

Date: 18 September 2023

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Report Summary	
Type of report	Open Report
Report Title	Financial Management Review April-June 2023
Purpose of Report	This report shows the forecasted year end position for the 2023/2024 financial year for the Mansfield Crematorium as at 30 June 2023
Recommendations	1. The financial information provided in appendix 1, table 1 and table 2 is for noting only.

1.0 Background

1.1 Summary forecast financial position as at 30 June 2023 for revenue and capital budgets, see appendix 1.

Table 1 below summarises the income and expenditure incurred to 30 June 2023 and the variances to revised budgets expected at the financial year end. Explanations are provided where there are significant variances between the forecasted out-turn position and the revised budgets.

Table 1

CREMATORIUM REVENUE	FULL YEAR				1 April 2023 to 30 June 2023
Description	Original Budget	Current Budget	Forecast	Variance - Forecast to Revised Budget	Actuals
Employee Costs	471,501	471,501	477,001	5,500	112,620
Premises Related Expenses	585,394	585,394	578,831	-6,563	115,386
Transport Related Expenditure	200	200	200	0	0
Supplies and Services	203,649	203,649	209,309	5,660	30,748
Support Services	71,985	71,985	71,985	0	0
Depreciation & Impairment	129,265	129,265	129,265	0	0
Revenue Gross Expenditure	1,461,994	1,461,994	1,466,591	4,597	258,754
Revenue Income	-2,137,483	-2,137,483	-2,137,483	0	-527,764
Income	-2,137,483	-2,137,483	-2,137,483	0	-527,764
Recharge to Cemeteries	-29,985	-29,985	-29,985	0	0
Income Recharges	-29,985	-29,985	-29,985	0	0
Revenue Gross Income	-2,167,468	-2,167,468	-2,167,468	0	-527,764
Net Cost of Service	-705,474	-705,474	-700,877	4,597	-269,010
Depreciation to be Reversed	-129,265	-129,265	-129,265	0	0
Contribution to Capital Fund	8,000	8,000	8,000	0	0
Below Net Cost of Service	-121,265	-121,265	-121,265	0	0
Net (-) Surplus	-826,739	-826,739	-822,142	4,597	-269,010

CREMATORIUM CAPITAL	FULL YEAR				1 April 2023 to 30 June 2023
Description	Original Budget	Current Budget	Forecast	Variance - Forecast to Revised Budget	Actuals
Crem Cap New Dev Crematorium SSRS - Design Services	8,000	8,000	8,000	0	0
Capital Gross Expenditure	8,000	8,000	8,000	0	0

1.1.1 Employee Expenses total forecasted variance £5,500.

The original salary budgets for quarter one was £471,501 and the forecast has risen to £477,001, giving an additional forecasted spend of £5,500. This is due to an increase in the need for overtime and training staff.

1.1.2 Premises Expenses total forecasted variance -£6,563.

Premises expenses have reduced in forecast, due to a repairs and maintenance as a result of fewer breakdowns.

The Crematorium combined insurance reduced from £19,646 to £17,237. The forecast has therefore been adjusted from a budgeted £20,600 to £17,237, contributing a saving of £3,363.

1.1.3 Support Services total for forecasted variance £5,660

Increased forecasted spend on Cameo Non Abatement fees £2,160 and software licenses £5,000. Some savings include advertising £1,100 and material purchases £500.

1.1.4 Capital

At the June 2023, there has been no actual capital spend so far. The only item forecast for 23/24 is £8,000 allocated for the new development for design services costs.

The original capital budget for the new crematorium development of £4,676,286 will be rolled forward following the September JCC meeting, as part of the Annual Statement of Accounts elsewhere on this agenda, this was originally allocated to 2022/23 but not spent. The budget for this project is discussed in more detail in the Development Report.

1.1.5 Balance Sheet Review – table 2 below shows the balance sheet as at 30 June 2023.

Table 2

Mansfield & District Joint Crematorium		
Balance Sheet as at 30 June 2023		
31 March 2023		30 June 2023
£		£
1,784,445	Property, Plant & Equipment	1,784,444
1,784,445	Long Term Assets	1,784,444
305,428	Short Term Debtors	234,029
-25,625	Provisions	-25,625
2,079,121	Cash and Cash Equivalents	3,294,532
2,358,924	Current Assets	3,502,936
-992,219	Short Term Creditors	-992,219
-992,219	Current Liabilities	-992,219
-268,000	Net Pension Liability	-268,000
-268,000	Long Term Liabilities	-268,000
2,883,150	Net Assets	4,027,160
	Financed by:	
585,598	Capital Fund	1,460,598
	Surplus/(deficit) in year	269,010
781,108	General Reserve	781,108
1,366,706	Usable Reserves	2,510,716
387,172	Revaluation Reserve	387,172
1,397,272	Capital Adjustment Accounts	1,397,273
-268,000	Pension Reserve	-268,000
1,516,444	Unusable Reserves	1,516,445
2,883,150	Total Reserves	4,027,160

Property, plant & equipment – transactions for depreciation and any changes in the re-valuation of the crematorium assets will be calculated before the financial year end.

Short term debtors – the total outstanding debtors at 30 June 2023 was £234,029. Table 3 below breaks down the value outstanding per period.

Table 3

Summary	£
2021/2022	3,342.00
April 2022	576.00
July 2022	765.50
August 2022	435.00
September 2022	835.50
October 2022	876.50
February 2023	1,713.50
March 2023	5,445.50
April 2023	6,477.80
May 2023	39,582.00
June 2023	173,979.50
TOTAL	234,028.80

Provisions – at the financial year end the value required for this provision will be recalculated based on the age and value of outstanding debtor invoices as at 31 March 2024.

Cash and cash equivalents – the main changes relate to accrued creditor payments to suppliers and the revenue surplus calculated up to 30 June 2023 in the revenue accounts.

Net pension liabilities – this figure will remain unchanged until the actuary report is received at the financial year end advising of the changes to the value of the JCC pension scheme

General reserves – the general reserve is a usable reserve and the brought forward balance as at 1 April 2023 was £781,108 as shown in table 5 below. The general reserves may be partly used to finance the new development crematorium project costs.

Table 4

General Reserves Balance Brought Forward 1 April 2023	£781,108
Less Provision for Temporary Cremators	-£198,000
Less Contributions to revenue 2023/24	-£71,409
General Reserves Forecasted Balance as at 31 March 2024	
(Surplus/-Deficit)	£511,699

Revaluation reserve – this reserve will remain unchanged until the end of the current financial year.

Capital adjustment account – this account will remain unchanged until the end of the current financial year.

Table 5

Capital Fund Balance Brought Forward 1 April 2023	£585,598
Add:	
Planned Preventative Maintenance 2023/24	-£6,000
Design Services fees 2023/24	-£8,000
Capital Fund Forecasted Balance as at 31 March 2024 (Surplus/-Deficit)	£571,598

Pension reserve – this reserve will remain unchanged until the actuary report is received at the financial year end advising of the changes to the value of the JCC pension scheme.

1.1.6 Forecast surplus for 2023/2024 as at 30 June 2023.

Table 5 below shows the forecast surplus payments to each authority based on the revised budget surplus and the usage to date by area as at 30 June 2023.

Table 6

District	April - June 2023 Number of Cremations	April - June 2023 Usage Percentage	Forecast Budget Surplus £269,010 split
Ashfield	239	50.00%	£134,505
Mansfield	211	44.14%	£118,747
Newark & Sherwood	28	5.86%	£15,758
TOTAL	478	100.00%	£269,010

2. Proposals

To receive and comment upon the Financial Management Review Report April-June 2023 and note its content.

3. Implications

In writing this report and in putting forward recommendations officers have considered the following implications; Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding and Sustainability, and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

NIL

Appendix 1

REVENUE CREMATORIUM Description	Full Year				1 April 2023 to June 2023
	Original Budget	Current Budget	Forecast Budget	Variance Forecast Budget to Revised Budget	Actuals
	£	£	£	£	£
Salaries Basic Pay	344,124	344,124	344,124	0	80,128
Salaries Overtime	15,000	15,000	18,500	3,500	6,405
Salaries National Insurance	29,931	29,931	29,931	0	7,563
Salaries Superannuation	73,298	73,298	73,298	0	18,524
Salaries Vacancy Savings	-6,617	-6,617	-6,617	0	0
Superann Additional Allowances	1,400	1,400	1,400	0	0
Pension Deficit Lump Sum	8,980	8,980	8,980	0	0
Training Expenses Staff	3,472	3,472	5,472	2,000	0
Apprenticeship Levy	1,913	1,913	1,913	0	0
Employee Related Expenditure	471,501	471,501	477,001	5,500	112,620
Repair/Maintenance Buildings	30,000	30,000	28,000	-2,000	6,443
Grounds Maintenance General	17,500	17,500	18,500	1,000	6,310
EPA Testing	1,200	1,200	1,200	0	1,295
Repair/Maintenance Fixed Plant Cremators	102,000	102,000	100,000	-2,000	5,419
Electricity	98,915	98,915	98,915	0	12,813
Gas	212,180	212,180	212,180	0	22,219
Rent of Premises	159	159	159	0	0
Business Rates	91,290	91,290	91,290	0	41,641
Sewage/Water Rates	6,930	6,930	6,930	0	908
Insurance	20,600	20,600	17,237	-3,363	17,237
Cleaning Materials	4,200	4,200	4,000	-200	1,101
Legionella	420	420	420	0	0
Premises Related Expenditure	585,394	585,394	578,831	-6,563	115,386
Car Allowances	200	200	200	0	0
Transport Related Expenditure	200	200	200	0	0
Furniture Acquisitions	2,000	2,000	1,800	-200	0
Light Plant and Tools	2,000	2,000	2,000	0	1,254
Material Purchases	5,500	5,500	5,000	-500	827
Rodent Control	500	500	500	0	0
Office Machinery Replacement	500	500	500	0	0
Uniforms	2,000	2,000	2,000	0	406
Printing	1,500	1,500	1,800	300	695
Stationery	2,000	2,000	2,000	0	-13
Advertising Other	1,500	1,500	400	-1,100	0
Hired & Contracted Services (large coffins)	2,000	2,000	2,000	0	234
Waste Collection Skips	1,000	1,000	1,000	0	-570
Medical Referee Fees	38,850	38,850	38,850	0	10,120
Payments to Local Authorities	7,250	7,250	7,250	0	2,040
Software Licences	10,250	10,250	15,250	5,000	0
Systems Software	300	300	300	0	0
Telephones	9,500	9,500	9,500	0	3,710
Webcasting Costs	15,000	15,000	15,000	0	5,304
Conference Expenses	1,000	1,000	1,000	0	0
Subscriptions	1,400	1,400	1,400	0	405
Book of Remembrance Inscriptions	8,000	8,000	8,000	0	827
External Legal Expenses - valuation	1,500	1,500	1,500	0	0
Memorials	27,099	27,099	27,099	0	2,293
Other Expenses General	500	500	500	0	0
Temporary Memorials	0	0	0	0	1,944
Organist Fees	2,500	2,500	2,500	0	135
CAMEO Non Abatement Fees	60,000	60,000	62,160	2,160	1,138
Supplies & Services Expenditure	203,649	203,649	209,309	5,660	30,748

REVENUE CREMATORIUM	Full Year				1 April 2023 to 30 June 2023
Description	Original Budget	Current Budget	Forecast Budget	Variance Forecast Budget to Revised Budget	Actuals
	£	£	£	£	£
Building Repairs	0	0	0	0	0
Design Services	8,000	8,000	8,000	0	0
Trade Waste/Recycling	7,496	7,496	7,496	0	0
Central Corporate Overhead	56,489	56,489	56,489	0	0
Support Services	71,985	71,985	71,985	0	0
Depreciation	129,265	129,265	129,265	0	0
Depreciation and Impairment	129,265	129,265	129,265	0	0
Revenue Gross Expenditure	1,461,994	1,461,994	1,466,591	4,597	258,754
Grants Current Year - Childrens Funeral Fund	0	0	0	0	-7,666
Book of Remembrance Inscriptions	-19,000	-19,000	-19,000	0	-4,472
Charities Collection	0	0	0	0	-848
Crematorium Containers	-110	-110	-110	0	0
Crematorium Memorials	-74,235	-74,235	-74,235	0	-12,225
Organist	-3,975	-3,975	-3,975	0	-44
Cremation Fees	-1,939,403	-1,939,403	-1,939,403	0	-484,412
Webcasting Fees	-23,625	-23,625	-23,625	0	-8,144
Interest Income	-2,500	-2,500	-2,500	0	0
Medical Fees	-38,850	-38,850	-38,850	0	-9,953
Misc Income	-1,800	-1,800	-1,800	0	0
Memorial Tree	-4,000	-4,000	-4,000	0	0
Income	-2,101,698	-2,101,698	-2,101,698	0	-527,764
Recharges to Cemeteries	-29,985	-29,985	-29,985	0	0
Income Recharges	-29,985	-29,985	-29,985	0	0
Revenue Gross Income	-2,131,683	-2,131,683	-2,131,683	0	-527,764
Net Cost of Service	-669,689	-669,689	-665,092	4,597	-269,010
Depreciation to be Reversed	-126,271	-126,271	-126,271	0	0
Contribution to Capital Fund	51,323	51,323	51,323	0	0
Below Net Cost of Service Sub Total	-74,948	-74,948	-74,948	0	0
Net Surplus	-744,637	-744,637	-740,040	4,597	-269,010

CAPITAL CREMATORIUM	Full Year				1 April 2023 to 30 June 2023
Description	Original Budget	Current Budget	Forecast Budget	Variance Forecast Budget to Revised Budget	Actuals
	£	£	£	£	£
Capital - Fire Doors and Works SSRS - Design Services	0	0	0	0	0
Crem Cap New Dev Crematorium Hired/Contracted Services	0	0	0	0	0
Crem Cap New Dev Crematorium SSRS - Design Services	2,000	2,000	8,000	0	0
Grand Total	2,000	2,000	8,000	0	0