

Committee: MERTON AND SUTTON JOINT CEMETERY BOARD

Date: 21 June 2022

Wards: Borough Wide Merton and Sutton

Subject: ABSTRACT OF ACCOUNTS 2021/22

Lead officer: Zoe Church

Recommendations:

- A. To receive and approve the Draft Abstract of Accounts for 2021-22
 - B. To approve the use of Merton's Internal Audit to formally sign off the Board's Accounts for this and future financial years
 - C. To approve the Annual Audit Return for 2021-22 (Appendix E), if required
 - D. To approve the revised revenue estimates for 2022/23 in Appendix I
 - E. Review and Agree the Risk Register as at June 2022 in Appendix J.
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1. Purpose of report and executive summary

1.1 This report presents MSJCB's Accounts for 2021-22 which comply with the CIPFA Accounting Code of Practice which is compliant with International Financial Reporting Standards (IFRS). In addition, this report proposes a revised 2022-23 Budget for Approval

1.2 The accounts will be available for public inspection from between Monday 11th July 2022 to Monday 19th July 2022 for 6 weeks.

2. Details

2.1 The statement of accounts for 2021-22 are attached to this report. It includes the details of actuals for 2020/2021 for comparison purposes. The accounts are subject to external audit. The cemetery has made a surplus this year of £140,856.

The principal under/over spending areas when compared to budget are as follows: -

Area	Variance £	Reason
Employees	(7,286)	Pension Charges lower than budgeted
Running Expenses	(3,613)	Main areas underspending when compared to the budget are Building Maintenance, Legal Charges and Consultants
Special Projects	(80,523)	Memorials Budget of £30k is unspent, Greenhouse Demolition Budget £10k unspent and Bearer Beams Budget overspent by £10k
Income	(133,632)	Surplus Income 20-21 £127k higher than estimated last year and surplus income 21-22 estimated at £77k

(225,055)

2.2 Breakdown of Debtors/Pre Payments

The table below provides a breakdown of debtors and pre payments as at 31st March 2021 and 31st March 2022

31/03/2021	SUNDRY DEBTORS AND PRE PAYMENTS	31/03/2022
70,939	Idverde Guaranteed Income Due February & March	70,939
123,145	Idverde Income Share above the threshold 2018/19	115,000
27,098	Idverde Income Share above the threshold 2019/20	88,000
150,000	Estimated Idverde Income Share above the threshold 2020/21	150,000
0	Estimated Idverde Income Share above the threshold 2021/22	77,000
371,181		500,939
	SUNDRY CREDITORS	
5,000	Surrey County Council - Pension	2,307
200	Gutter Clearance	0
487	Tree Works	0
263	Legal Charges March 2021	0
0	Clerking/Surveying	2,514
0	Gas	302
0	Special Projects Management Fees	18,945
0	Bearer Beams	15,423
5,950		39,491

2.3 Fund balances and reserves

2.3.1 Members should note the overall level of the Common Fund Balance to be £1,516,995.

2.4 Audit Arrangements

2.4.1 Under current regulations MSJC is deemed a joint committee. With effect from the financial year 2015/16 onwards, joint committees no longer have a statutory obligation to prepare accounts that are then audited by a firm appointed by the Audit Commission. The Audit Commission Act 1998, which required the accounts of joint committees to be subject to audit, has been repealed with effect from 1 April 2015. The Local Audit and Accountability Act 2014, introducing new local public audit arrangements, does not apply to joint committees.

2.4.2 From 1 April 2015 any expenditure overseen by a joint committee will only be subject to a statutory audit as part of the main accounts of constituent audited bodies. This means the external audit of the MSJC will be covered by the external audit of the London Borough of Merton's accounts. Sutton's Internal Audit Service have successfully signed off the accounts of Bandon Hill Cemetery Joint Committee (which is also a joint committee) for a number of years. Officers propose a similar approach for MSJC.

2.4.3 To continue to provide assurance over the financial controls an internal audit has been conducted on the Cemetery accounts for 2021/22. A statement of assurance by Merton's Chief internal Auditor can be found on the next page:

“The London Borough of Merton Internal Audit service, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2022. The Council’s financial systems have been examined and the Head of Internal Audit confirms that the Merton and Sutton Joint Cemetery statements of account for 2021/22 are in accordance with its financial records.”

2.4.1 To minimise risk in the first year of adopting it is proposed that Appendix E is be signed off at the meeting so that it may be progressed if required

2.5` Revised Estimates 2022-23

2.5.1 Attached as Appendix I is the Revised Estimates for the Cemetery for 2022-23 for approval by the Board.

3. Alternative options

3.1 None for the purposes of this report

4. Consultation undertaken or proposed

4.1 None for the purposes of this report

5. Timetable

5.1 None for the purposes of this report

6. Financial, resource and property implications

6.1 As contained in the body of the report

7. Legal and statutory implications

7.1 None for the purposes of this report

8. Human rights, equalities and community cohesion implications

8.1 None for the purposes of this report

9. Risk management and health and safety implications

9.1 Attached as Appendix J.

10. Appendices – the following documents are to be published with this report and form part of the report

Appendices	<p>A – Movement in Reserves B – Balance Sheet as at 31 March 2022 C – Income and Expenditure Account 2021-22 D – Cash Flow Statement E – Copy of Annual Return 2021-22 to Auditors F – Asset Register G – Precept History H – Loan Repayment Schedule I – Revised 2022/23 Estimates j – Risk Register June 2022</p>
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11. Background Papers – the following documents have been relied on in drawing up this report but do not form part of the report

11.1 Closing files, Budget files and Budgetary Control files in the Corporate Services Department

12. Contacts

- Report author:
 - Name: Name: Zoe Church
 - Tel: 0208 545 3451
 - email: zoe.church@merton.gov.uk
- Meeting arrangements - Democratic Services:
 - email: democratic.services@merton.gov.uk
 - Tel: 020 8545 3356/3357/3359/3361/3616
- All press contacts - Merton's Press office:
 - email: press@merton.gov.uk
 - Tel: 020 8545 3181
- London Borough of Merton:
 - Address: Civic Centre, London Road, Morden, SM4 5DX
 - Tel: 020 8274 4901

MERTON AND SUTTON JOINT CEMETERY BOARD

ABSTRACT OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2022

Treasurer of the Board
Merton Civic Centre
London Road
Morden
Surrey
SM4 5DX

MERTON AND SUTTON JOINT CEMETERY BOARD

ABSTRACT OF ACCOUNTS 2021/22

STATEMENT OF MAIN ACCOUNTING PRINCIPLES

The accounts have been prepared in accordance with the latest Accounts and Audit Regulations. There was a change in the basis of accounting during 1995/96. In prior years accounts have been prepared on an income and expenditure basis. Since 1996/97, the accounts have been prepared on an accruals basis. The Revenue Account therefore includes all sums due to the Board in respect of the financial year and all sums payable for work done or goods received during the year.

The accounts have been produced in accordance with CIPFA's Code of Practice which is based on International Financial Reporting Standards (IFRS).

Capital expenditure defined as expenditure relating to assets in excess of £1,000. Capital expenditure is financed from the capital fund and loans, the redemption of which is provided for by the annual setting aside of sums in the Movement of Reserves Statement to repay the principal and the charging of interest on the loan in the revenue account.

A precept can be levied on the London Boroughs of Merton and Sutton to meet the net expenditure of the Board (after adjusting for contributions to or from balances held in the Board's Common Fund). No precept was levied in 2021-22. This is to be reviewed in the 2023-24 budget setting process.

AREA OF CEMETERY'S LAND

Areas	Narrative	Acres
N/A	Utilised for Burial Purposes	26.35
B, B1 & C	Let for stabling and grazing of horses	24.74
C1	Grazing land	1.34
A	Let to Royal Borough of Kingston-upon-Thames for school playing fields	2.64
CC	ARQIVA	0.03
	Idverde	
	Service Tenancy	n/a
Total		55.10

MSJCB Movement in Reserves Statement 1 April 2020 to 31 March 2021

Fund Narrative	Common Fund	Capital Adjustment Account	Revaluation Reserve Account	Total
Balance at 1 April 2020 b/fwd	(1,024,708)	(408,262)	0	(1,432,970)
(Surplus)/Deficit of the Year	(351,432)			(351,432)
Adjustments between statutory Accounting and Proper Accounting Practice				
Depreciation	82,122	(82,122)		0
Appropriations				
Provision for loan repayment	(70,532)	70,532		0
Minimum Revenue Provision	(11,590)	11,590		0
Balance at 31 March 2021 c/fwd	(1,376,140)	(408,262)	0	(1,784,402)

MSJCB Movement in Reserves Statement 1 April 2021 to 31 March 2022

Fund Narrative	Common Fund	Capital Adjustment Account	Revaluation Reserve Account	Total
Balance at 1 April 2021 b/fwd	(1,376,140)	(408,262)	0	(1,784,402)
(Surplus)/Deficit of the Year	(140,856)			(140,856)
Adjustments between statutory Accounting and Proper Accounting Practice				
Depreciation	82,121.66	(82,122)		0
Appropriations				
Provision for loan repayment	(70,533)	70,533		0
Minimum Revenue Provision	(11,589)	11,589		0
Contribution to Capital Fund				
Balance at 31 March 2022 c/fwd	(1,516,995)	(408,262.00)	0	(1,925,258)

Merton and Sutton Joint Cemetery Board Balance Sheet as at 31st March 2022

31st March 2021		31st March 2022
£		£
	LONG TERM ASSETS	
1,431,547	Other Land and Buildings	1,406,084
68,111	Vehicles, Plant and Equipment	60,724
<u>1,499,658</u>		<u>1,466,808</u>
	CURRENT ASSETS	
371,181	Sundry Debt Bdy Ext Centr Gov	500,939
0	General Revenue Debtors	0
0	Accrual - Bodies Ext Centr Gov	0
0	Sundry Creditors	0
1,118,577	Cash Balance	1,125,534
<u>1,489,759</u>		<u>1,626,473</u>
	CURRENT LIABILITIES	
(5,950)	Accrual - Pub Corp & Trust Fnd	(39,491)
	LONG TERM LIABILITIES	
(599,533)	Loans from London Borough of Merton	(564,266)
(599,533)	Loans from London Borough of Sutton	(564,266)
<u>(1,199,066)</u>		<u>(1,128,533)</u>
<u>1,784,402</u>	NET ASSETS	<u>1,925,257</u>
	UNUSABLE RESERVES	
(408,262)	Capital Adjustment Account	(408,262)
	USABLE RESERVES	
(1,376,140)	Common Fund	(1,516,995)
<u>(1,784,402)</u>	TOTAL RESERVES	<u>(1,925,257)</u>
31/03/2021	SUNDRY DEBTORS AND PRE PAYMENTS	13/0/2022
70,939	Idverde Guaranteed Income Due February & March	70,939
123,145	Estimated Idverde Income Share above the threshold 2018/19	115,000
27,098	Estimated Idverde Income Share above the threshold 2019/20	88,000
150,000	Estimated Idverde Income Share above the threshold 2020/21	150,000
0	Estimated Idverde Income Share above the threshold 2021/22	77,000
<u>371,181</u>		<u>500,939</u>
	SUNDRY CREDITORS	
5,000	Surrey County Council - Pension	2,307
200	Gutter Clearance	0
487	Tree Works	0
263	Legal Charges March 2021	0
0	Clerking/Surveying	2,514
0	Gas	302
0	Special Projects Management Fees	18,945
0	Bearer Beams	15,423
<u>5,950</u>		<u>39,491</u>

Merton and Sutton Joint Cemetery Board

Income and Expenditure Account for the Year Ended 31st March 2022

Actual 2020/21	Description	Revenue Estimate 2021/22	Actual 2021/22	Variance Actual to Estimate	Variance Actual 19-20 to Actual 20-21	
Employees						
4,346	Salaries	4,860	5,267	407	921	
5,000	Super Fund Revaluation Costs	5,000	(2,693)	(7,693)	(7,693)	Top Up Pension Charges lower than expected
9,346	Total Employees	9,860	2,574	(7,286)	(6,773)	
Running Expenses						
4,687	Building Improvements/Maintenance	4,500	1,840	(2,660)	(2,847)	Spend focussed on special projects
2,604	Gas	3,000	4,214	1,214	1,610	
2,920	Electricity	3,000	3,836	836	916	
16,505	NNDR	20,960	20,631	(329)	4,126	
	0 Use of Water	0	0	0	0	
230,969	Contractor/Client Side Costs	230,259	231,217	958	247	
	279 Printing and Stationery	500	0	(500)	(279)	
	0 Purchase of Graves	0	0	0	0	
22,810	Management and Administration	23,130	23,130	0	320	
1,300	External Audit Fees	1,500	1,600	100	300	
1,500	Consultants	1,000	0	(1,000)	(1,500)	No consultants engaged in year
6,000	Insurance Premiums	6,090	6,090	0	90	
	263 Internal Legal Hard Charge	2,000	43	(1,957)	(220)	
	965 Telephone - Call Charges	1,000	726	(274)	(239)	
44,054	Interest Paid	41,610	41,608	(2)	(2,446)	
82,122	Depreciation	82,120	82,121.66	2	0	
416,977	Total Running Expenses	420,669	417,056	(3,613)	79	
Special Projects						
0	Restructuring	0	0	0	0	
0	Memorials	30,000	0	(30,000)	0	Budget has been c/f to 2022-23
0	Demolition of Greenhouse	10,000	0	(10,000)	0	Project is not being progressed
0	Roads and Footpaths	20,000	24,927	4,927	24,927	
0	New Bearer Beams	45,000	0	(45,000)	0	
0	Replacement Bearer Beams	140,000	139,550	(450)	139,550	
0	Total Special Projects	245,000	164,477	(80,523)	164,477	
426,323	Total Expenditure	675,529	584,106	(91,423)	157,783	
Income						
(43,857)	Rental Income	(43,900)	(42,990)	910	256	
(724,895)	Interment Fees	(545,000)	(674,616)	(129,616)	(10,059)	Debtors breakdown of adjustments to this code other than £545 guaranteed income.
(9,003)	Interest Income	(2,430)	(7,356)	(4,926)	(765)	
(777,755)	Total Income	(591,330)	(724,962)	(133,632)	(10,568)	
(351,432)	Transfer to Reserves	84,199	(140,856)	(225,055)	147,215	

Merton and Sutton Joint Cemetery Board

(2) COMMON FUND

1,024,708	Balance Brought Forward	1,376,140
	0 Contribution to - London Borough of Merton	0
	0 Contribution to - London Borough of Sutton	0
<u>1,024,708</u>		<u>1,376,140</u>
351,432	Add Surplus (Deficit) for the year	140,856
11,590	Transfer depreciation to capital adjustment account	11,589
	Loss on Disposal	
70,532	Provision for Repayment of Loan	70,533
(82,122)	Minimum Revenue Provision	(82,122)
	0 Transferred from Maintenance of Graves Fund	0
	0 Transferred from Capital Fund	0
	0 Transferred from Graves Maintained in Perpetuity	0
<u>1,376,140</u>	Common Fund Balance	<u>1,516,995</u>

Merton and Sutton Joint Cemetery Board
Cashflow Statement for the Year Ended 31st March 2022

MSJCB Cash Flow Statement 2020-21	£
Net (surplus) or deficit on the provision of services	(351,432)
Adjustment to the net surplus or (deficit) on the provision of services for non-cash movements	
Add Depreciation	(82,122)
Add Accrual	180,242
Less Prepayment	31,050
Adjustment for cash items not in the net surplus or (deficit) on the provision of services	0
Adjustments for items included in the net surplus or (deficit) on the provision of services that are investing and financing activities	0
Net cashflows from Operating Activities	(222,261)
Investing activities	0
Financing activities	70,533
Net increase or decrease in cash and cash equivalents	(151,728)
Cash and cash equivalents at the beginning of the period	(966,850)
Cash and cash equivalents at the end of the period	(1,118,578)

MSJCB Cash Flow Statement 2021-22	£
Net (surplus) or deficit on the provision of services	(140,856)
Adjustment to the net surplus or (deficit) on the provision of services for non-cash movements	
Add Depreciation	(32,850)
Add Accrual	129,758
Less Prepayment	(33,541)
Adjustment for cash items not in the net surplus or (deficit) on the provision of services	0
Adjustments for items included in the net surplus or (deficit) on the provision of services that are investing and financing activities	0
Net cashflows from Operating Activities	(77,490)
Investing activities	70,533
Financing activities	0
Net increase or decrease in cash and cash equivalents	(6,957)
Cash and cash equivalents at the beginning of the period	(1,118,578)
Cash and cash equivalents at the end of the period	(1,125,534)

Joint Committees

Annual return for the financial year ended 31 March 2022

The annual return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the Joint Committee.
- Section 3 is completed by the PKF Littlejohn LLP as the reviewer appointed by the Joint Committee.
- Section 4 is completed by the Joint Committee's internal audit provider.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in red. Do not leave any red box blank. Incomplete or incorrect returns require additional work and so may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2022, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to us, PKF Littlejohn LLP, by the due date.

We will identify and ask for any additional documents needed for our work. Therefore, unless requested, do not send any original financial records.

Once we have completed our work, certified annual returns will be returned to the Joint Committee.

It should not be necessary for you to contact us for guidance.

Additional information can be found on our website using the following link (<https://www.pkf-l.com/services/limited-assurance-regime/joint-committees-independent-review/>).

Section 1 – Annual governance statement 2021/22

We acknowledge as the members of

Enter name of reporting joint committee

Merton and Sutton Joint Cemetery

our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2022, that:

	Agreed –		'Yes'
	Yes	No*	means that the joint committee:
1 We approved the accounting statements prepared in accordance with the guidance notes within this Annual Return.	✓		prepared its accounting statements and approved them.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with generally accepted good practice that could have a significant financial effect on the ability of the joint committee to conduct its business or on its finances.	✓		has only done what it has the legal power to do and has complied with generally accepted good practice.
4 We provided opportunity during the year for interested persons to inspect and ask questions about the accounts.	✓		has given all persons interested the opportunity to inspect and ask questions about these joint committee accounts.
5 We carried out an assessment of the risks facing the joint committee and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the joint committee's accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the joint committee.
7 We took appropriate action on all matters raised in reports from internal audit and external reviews.	✓		responded to matters brought to its attention by internal and external reviewers.
8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the joint committee and where appropriate have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

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

MINUTE REFERENCE

dated DD/MM/YYYY

Signed by:

Chair SIGNATURE REQUIRED

dated DD/MM/YYYY

Signed by:

Clerk SIGNATURE REQUIRED

dated DD/MM/YYYY

*Note: Please provide explanations on a separate sheet for each 'No' response. Describe how the joint committee will address the weaknesses identified.

Section 2 – Accounting statements 2021/22 for:

Enter name of reporting joint committee here:

£ Merton and Sutton Joint Cemetery RE

	Year ending		Notes and guidance
	31 March 2021 £	31 March 2022 £	
			Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.
1 Balances brought forward	1,120,790	1,483,810	Total balances and reserves at the beginning of the year as recorded in the joint committee's financial records. Value must agree to Box 7 of previous year.
2 (+) Income from local taxation and/or levy	0	0	Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring joint committee. Excluding any grants received.
3 (+) Total other receipts	777,755	724,962	Total income or receipts as recorded in the cashbook less the taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	9,346	2,574	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5 (-) Loan interest/capital repayments	114,587	112,141	Total expenditure or payments of capital and interest made during the year on the joint committee's borrowings (if any).
6 (-) All other payments	290,801	507,074	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	1,483,810	1,586,982	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	1,118,577	1,125,534	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – to agree with bank reconciliation.
9 Total fixed assets plus other long term investments and assets	1,499,658	1,466,808	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the joint committee as at 31 March
10 Total borrowings	1,199,066	1,128,533	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2022 the accounting statements in this annual return present fairly the financial position of the Joint Committee and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

SIGNATURE REQUIRED

Date DD/MM/YYYY

I confirm that these accounting statements were approved by the Joint Committee on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of meeting approving these accounting statements:

SIGNATURE REQUIRED

Date DD/MM/YYYY

Section 3 – Review report 2021/22 Certificate

We present the findings from our review of the annual return for the year ended 31 March 2022 in respect of:

Enter name of reporting joint committee here:

Merton and Sutton Joint Cemetery HERE

Respective responsibilities of the Joint Committee and the reviewer

The Joint Committee is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The Joint Committee prepares an annual return which:

- summarises the accounting records for the year ended 31 March 2022; and
- confirms and provides assurance on various governance matters in accordance with generally accepted good practice.

We have reviewed the annual return and set out our findings below. Our work does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and therefore does not provide the level of assurance of a statutory audit.

Report

Matters arising from our review

(continue on a separate sheet if required)

Reviewer signature

Reviewer

PKF Littlejohn LLP

Date

Section 4 – Annual internal audit report 2021/22 to

Enter name of reporting joint committee here:

Merton and Sutton Joint Cemetery

The Joint Committee's internal audit service provider, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2022.

Internal audit has been carried out in accordance with the Joint Committee'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 alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Joint Committee.

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

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

Name of person who carried out the internal audit:

PRINT NAME

Signature of person who carried out the internal audit:

SIGNATURE REQUIRED

Date: DD/MM/YYYY

*Note: If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2021/22 annual return

1. Make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the joint committee, properly initialled and an explanation provided to us. Annual returns containing unapproved or unexplained amendments will be returned and may incur additional costs.
2. Use the checklist provided below. Use a second pair of eyes, perhaps a member or the Chair, to review your annual return for completeness before sending it to us.
3. Do not send us any information not specifically asked for. Doing so is not helpful. However, you must notify us of any change of Clerk, Responsible Financial Officer or Chair.
4. Make sure that the copy of the bank reconciliation which you send with the annual return covers all your bank accounts. If the joint committee holds any short-term investments, note their value on the bank reconciliation. We must be able to agree your bank reconciliation to Box 8 on the Accounting statements. You must provide an explanation for any difference between Box 7 and Box 8.
5. Explain fully significant variances in the accounting statements on page 3. Do not just send in a copy of your detailed accounting records instead of this explanation. We want to know that you understand the reasons for all variances. Include a complete analysis to support your explanation.
6. If we have to review unsolicited information, or receive an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which we will make a charge.
7. Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2021) equals the balance brought forward in the current year (Box 1 of 2022).
8. Do not complete section 3. We will complete it at the conclusion of our work.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All red boxes have been completed?	✓
	All information requested has been sent with this annual return?	✓
Section 1	For any statement to which the response is 'no', an explanation is provided?	✓
Section 2	Approval by the joint committee confirmed by signature of Chair of meeting approving the accounting statements?	✓
	An explanation of significant variations from last year to this year is provided?	✓
	Bank reconciliation as at 31 March 2022 agrees to Box 8?	✓
	An explanation of any difference between Box 7 and Box 8 is provided?	✓
Section 4	All red boxes completed by internal audit and explanations provided?	✓

CAPITAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021

Capital and Finance leases

There are no finance leases as at 31st March 2021

	Valuation to 31/3/2020 £	Depreciation at 31/03/2020 £	Disposals during year £	Additions during year £	Valuation at 31/3/2021 £	
Land acquired from constituent authorities -						
Carshalton UDC	22,220	0.00			22,220	
Merton & Morden UDC	29,975	0.00			29,975	
acquired from Merton & Morden UDC	18,621	0.00			18,621	
Layout of new section	3,435	107.33			3,327	
Superintendent's house & office	3,025	94.52			2,930	
Waiting room and lavatories	22,463	165.75			22,297	
Drawing room for works staff	163	5.10			158	
Greenhouses	2,187	68.33			2,118	
Chapel	25,948	301.99			25,646	
Chapel heating	381	11.91			369	
Layout of Roman Catholic section	688	21.50			667	
Potting shed conversion	137	68.60			69	
Cemetery extension	1,269,605	70,532.00			1,199,073	
Mess room	3,089	96.53			2,993	
Boundary Wally, Layout, Fencing & Elect. Works	104,346	3,260.81			101,085	1,431,547
Cemetery Grounds	10,524	876.97			9,647	
Sub Transformer	21,403	1,783.59			19,619	
Store shed	28	14.07			14	
New Boilers	42,651	4,265.06			38,385	
Repairs to Service Yard & Storage	895	447.61			448	68,112.47
TOTAL	1,581,781	82,121.66	0	0	1,499,660	1,499,660
Land and Buildings	1,506,282	74,734.37	0	0	1,431,548	
Vehicles, Plant and Equipment	75,499	7,387.29	0	0	68,110	
	1,581,780	82,121.66	0	0	1,499,659	

CAPITAL ASSETS AND DEPRECIATION FOR THE YEAR ENDED 31ST MARCH 2022

Capital and Finance leases

There are no finance leases as at 31st March 2022

	Valuation to 31/3/2021 £	Depreciation at 31/03/2022 £	Disposals during year £	Additions during year £	Valuation at 31/3/2022 £	
Land acquired from constituent authorities -						
Carshalton UDC	22,220	0			22,220	
Merton & Morden UDC	29,975	0			29,975	
acquired from Merton & Morden UDC	18,621	0			18,621	
Layout of new section	3,327	107			3,220	
Superintendent's house & office	2,930	95			2,835	
Waiting room and lavatories	22,297	166			22,131	
Drawing room for works staff	158	5			153	
Greenhouses	2,118	68			2,050	
Chapel	25,646	302			25,344	
Chapel heating	369	12			357	
Layout of Roman Catholic section	667	22			645	
Potting shed conversion	69	69			0	
Cemetery extension	1,199,073	70,540			1,128,533	
Mess room	2,993	97			2,896	
New Bearer Beams	0	0		49,271.18	49,271	
Boundary Wally, Layout, Fencing & Elect. Works	101,085	3,253			97,833	1,406,084
Cemetery Grounds	9,647	877			8,770	
Sub Transformer	19,619	1,784			17,836	
Store shed	14	14			0	
New Boilers	38,385	4,267			34,119	
Repairs to Service Yard & Storage	448	448			0	60,723.68
TOTAL	1,499,660	82,123	0	49,271	1,466,808	1,466,808
Land and Buildings	1,431,547	74,734	0	49,271	1,406,084.18	
Vehicles, Plant and Equipment	68,111	7,389	0	0	60,723.68	
	1,499,659	82,123	0	49,271	1,466,808	

Merton and Sutton Joint Cemetery Board Precept History

Year ended 31st March	Interments	Expenditure	Income (excluding precepts)	Net Expenditure/ (Income)	Precepts	Surplus / (Deficit) C/Fwd
		£	£	£	£	£
1948	170	8,000	1,266	6,734	8,243	1,316
1949	285	7,477	2,214	5,263	4,593	646
1950	377	8,803	3,476	5,327	5,747	1,066
1951	414	9,927	4,572	5,355	6,494	2,205
1952	373	10,422	3,931	6,491	4,411	125
1953	406	10,845	4,152	6,693	6,927	359
1954	364	10,305	5,032	5,273	7,531	2,617
1955	379	11,091	5,660	5,431	5,344	2,530
1956	417	12,915	6,297	6,618	6,626	2,538
1957	423	14,338	6,584	7,754	7,355	2,139
1958	396	15,237	7,482	7,755	7,413	1,797
1959	422	14,680	7,459	7,221	9,215	3,791
1960	374	17,225	7,123	10,102	8,903	2,592
1961	372	16,485	7,121	9,364	9,455	2,683
1962	379	17,968	8,226	9,742	10,462	3,403
1963	409	19,154	8,202	10,952	11,406	3,851
1964	333	18,636	8,150	10,486	10,956	4,327
1965	339	19,356	7,727	11,629	10,472	3,170
1966	410	21,488	9,539	11,949	12,971	4,192
1967	355	24,293	9,307	14,986	13,989	3,195
1968	375	26,500	9,322	17,178	18,346	4,363
1969	399	26,182	10,103	16,079	17,564	5,848
1970	411	25,878	10,191	15,687	17,983	8,144
1971	387	30,941	10,156	20,785	17,983	5,342
1972	397	33,707	15,173	18,534	26,228	13,036
1973	359	33,495	18,645	14,850	18,395	16,581
1974	346	37,703	15,871	21,832	20,104	14,853
1975	322	46,775	17,103	29,672	19,785	4,966
1976	323	57,495	24,559	32,936	35,180	7,210
1977	295	67,119	24,308	42,811	42,084	6,483
1978	313	67,444	25,799	41,645	36,636	1,424
1979	301	75,975	28,991	46,984	53,581	8,071
1980	325	91,654	34,860	56,794	60,155	11,432
1981	304	107,837	43,524	64,313	69,434	16,553
1982	304	117,461	48,842	68,619	69,784	17,718
1983	325	129,798	48,909	80,889	71,163	7,992
1984	303	137,921	51,307	86,614	80,920	2,298
1985	306	129,955	61,550	68,705	88,640	22,533
1986	311	134,485	66,690	67,795	80,560	35,298
1987	333	148,940	71,782	77,158	67,860	26,000
1988	320	146,533	75,728	70,805	73,442	28,637
1989	340	159,704	80,465	79,239	69,058	18,456
1990	327	162,053	88,208	73,845	75,565	20,176
1991	314	179,929	92,042	87,887	85,149	17,438
1992	343	188,624	110,025	78,599	68,365	7,204
1993	312	191,312	107,427	83,885	76,192	(489)
1994	387	189,687	153,926	36,761	79,444	42,194
1995	379	231,725	167,181	64,544	79,444	36,261

Merton and Sutton Joint Cemetery Board Precept History

Year ended 31st March	Interments	Expenditure	Income (excluding precepts)	Net Expenditure/ (Income)	Precepts	Surplus / (Deficit) C/Fwd
		£	£	£	£	£
1996	358	207,870	197,191	10,679	80,795	106,377
1997	348	198,678	204,958	(6,280)	40,000	152,658
1998	364	194,514	236,535	(42,021)	0	194,679
1999	356	211,242	244,542	(33,300)	0	227,979
2000	312	216,869	248,694	(31,825)	0	259,804
2001	314	230,329	255,315	(24,987)	0	284,791
2002	317	218,613	286,709	(68,096)	(194,064)	158,823
2003	320	260,664	302,866	(42,202)	0	201,025
2004	320	285,719	336,688	(50,970)	0	251,995
2005	302	291,487	351,113	(59,626)	(150,000)	161,621
2006	290	329,568	394,944	(65,376)	0	226,997
2007	290	357,500	374,118	(16,619)	0	243,616
2008	264	363,008	361,033	1,975	0	241,641
2009	267	503,040	447,967	55,073	0	186,568
2010	228	467,356	385,789	81,567	0	98,340
2011	243	347,679	402,080	(54,401)	0	139,969
2012	212	361,096	500,971	(139,876)	0	279,845
2013	224	539,401	549,024	(9,622)	0	289,468
2014	216	508,926	538,540	(29,614)	0	319,082
2015	217	555,404	590,638	(35,235)	0	354,316
2016	262	569,668	710,329	(140,661)	0	494,977
2017	237	588,562	606,882	(18,321)	0	513,298
2018	250	452,465	600,846	(148,381)	0	661,679
2019	234	519,727	590,607	(70,880)	0	732,558
2020	213	452,454	714,393	(261,939)	0	1,024,708
2021	303	426,323	777,755	(351,432)	0	1,376,140
2022	284	584,106	724,962	(140,856)	0	1,516,995

Merton & Sutton Joint Cemetery Board £1,763,328 Loan

Merton Loan																										
Interest		3.47% as at June 2013																								
Repayment Period		25 Years																								
Total Original Loan		881,664																								
	Year 1 2013/14	Year 2 2014/15	Year 3 2015/16	Year 4 2016/17	Year 5 2017/18	Year 6 2018/19	Year 7 2019/20	Year 8 2020/21	Year 9 2021/22	Year 10 2022/23	Year 11 2023/24	Year 12 2024/25	Year 13 2025/26	Year 14 2026/27	Year 15 2027/28	Year 16 2028/29	Year 17 2029/30	Year 18 2030/31	Year 19 2031/32	Year 20 2032/33	Year 21 2033/34	Year 22 2034/35	Year 23 2035/36	Year 24 2036/37	Year 25 2037/38	
Interest	30,594	29,370	28,146	26,922	25,699.00	24,475	23,251.00	22,027	20,804	19,580	18,356	17,132	15,909	14,685	13,461	12,237	11,014	9,790	8,566	7,342	6,119	4,895	3,671	2,447	1,224	
Repayment	35,267	35,267	35,267	35,267	35,267	35,266.56	35,266.56	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	
Total	65,861	64,637	63,413	62,189	60,966	59,741.56	58,517.56	57,294	56,071	54,847	53,623	52,399	51,176	49,952	48,728	47,504	46,281	45,057	43,833	42,609	41,386	40,162	38,938	37,714	36,491	
Adjustment to 13/14	7,649																									
Adjusted Total	73,509																									
Balance as at 31/3	846,397	811,131	775,864	740,598	705,331	670,065	634,798	599,532	564,265	528,998	493,732	458,465	423,199	387,932	352,666	317,399	282,132	246,866	211,599	176,333	141,066	105,800	70,533	35,267	0	

Sutton Loan																										
Interest		3.47% as at June 2013																								
Repayment Period		25 Years																								
Total Original Loan		881,664																								
	Year 1 2013/14	Year 2 2014/15	Year 3 2015/16	Year 4 2016/17	Year 5 2017/18	Year 6 2018/19	Year 7 2019/20	Year 8 2020/21	Year 9 2021/22	Year 10 2022/23	Year 11 2023/24	Year 12 2024/25	Year 13 2025/26	Year 14 2026/27	Year 15 2027/28	Year 16 2028/29	Year 17 2029/30	Year 18 2030/31	Year 19 2031/32	Year 20 2032/33	Year 21 2033/34	Year 22 2034/35	Year 23 2035/36	Year 24 2036/37	Year 25 2037/38	
Interest	30,594	29,370	28,146	26,922	25,699.00	24,475	23,251	22,027	20,804	19,580	18,356	17,132	15,909	14,685	13,461	12,237	11,014	9,790	8,566	7,342	6,119	4,895	3,671	2,447	1,224	
Repayment	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	35,267	
Total	65,861	64,637	63,413	62,189	60,966	59,742	58,518	57,294	56,071	54,847	53,623	52,399	51,176	49,952	48,728	47,504	46,281	45,057	43,833	42,609	41,386	40,162	38,938	37,714	36,491	
Adjustment to 13/14	(7,649)																									
Adjusted Total	58,212																									
Balance as at 31/3	846,397	811,131	775,864	740,598	705,331	670,065	634,798	599,532	564,265	528,998	493,732	458,465	423,199	387,932	352,666	317,399	282,132	246,866	211,599	176,333	141,066	105,800	70,533	35,267	0	



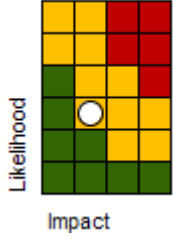




Combined Loan																									
	Year 1 2013/14	Year 2 2014/15	Year 3 2015/16	Year 4 2016/17	Year 5 2017/18	Year 6 2018/19	Year 7 2019/20	Year 8 2020/21	Year 9 2021/22	Year 10 2022/23	Year 11 2023/24	Year 12 2024/25	Year 13 2025/26	Year 14 2026/27	Year 15 2027/28	Year 16 2028/29	Year 17 2029/30	Year 18 2030/31	Year 19 2031/32	Year 20 2032/33	Year 21 2033/34	Year 22 2034/35	Year 23 2035/36	Year 24 2036/37	Year 25 2037/38
Interest	61,188	58,740	56,292	53,844	51,398	48,950	46,502	44,054	41,608	39,160	36,712	34,264	31,818	29,370	26,922	24,474	22,028	19,580	17,132	14,684	12,238	9,790	7,342	4,894	2,448
Repayment	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533	70,533
Total	131,721	129,273	126,825	124,377	121,931	119,483	117,035	114,587	112,141	109,693	107,245	104,797	102,351	99,903	97,455	95,007	92,561	90,113	87,665	85,217	82,771	80,323	77,875	75,427	72,981
Balance as at 31/3	1,692,795	1,622,262	1,551,729	1,481,196	1,410,662	1,340,129	1,269,596	1,199,063	1,128,530	1,057,997	987,464	916,931	846,397	775,864	705,331	634,798	564,265	493,732	423,199	352,666	282,132	211,599	141,066	70,533	0

MSJCB Budget 2021-22 Monitoring and Estimates for 2022/23

Description	Revised Budget 2021/22 (1)	Outturn 2021/22 (2)	Variance (6)	Original Budget 2022/23 (7)	Virement	Revised Budget 2022/23
Member Allowances	4,860	5,267	407	4,720		4,720
Super Fund Revaluation Costs	5,000	(2,693)	(7,693)	5,000		5,000
Total Employees	9,860	2,574	(7,286)	9,720	0	9,720
Building Maintenance	4,500	1,840	(2,660)	2,000		2,000
Gas	3,000	4,214	1,214	3,000		3,000
Electricity	3,000	3,836	836	3,000		3,000
NNDR	20,960	20,631	(329)	21,480	0	21,480
Use of Water	0	0	0	0	0	0
Grounds Maintenance	230,259	231,217	958	237,160	0	237,160
Stationery	500	0	(500)	500	0	500
Management and Administration	23,130	23,130	0	24,240	0	24,240
External Audit Fees	1,500	1,600	100	1,700	0	1,700
Consultants	1,000	0	(1,000)	1,000	0	1,000
Insurance Premiums	6,090	6,090	0	6,240	0	6,240
Internal Legal Hard Charge	2,000	43	(1,957)	2,000	0	2,000
Telephone - Call Charges	1,000	726	(274)	1,000	0	1,000
Interest Paid	41,610	41,608	(2)	39,160	0	39,160
Depreciation	82,120	82,122	2	80,780	10,240	91,020
Total Running Expenses	420,669	417,056	(3,613)	423,260	10,240	433,500
New Bearer Beams	45,000	0	(45,000)	110,000	99,000	209,000
Replacement Bearer Beams	140,000	139,550	(450)	140,000	(2,500)	137,500
Demolition of Greenhouse	10,000	0	(10,000)	0	0	0
Horticultural and Biodiversity Improvements	0	0	0	0	45,000	49,500
Memorials	30,000	0	(30,000)	30,000	3,000	33,000
Roads and Footpaths	20,000	24,927	4,927	25,000	2,500	27,500
Total Special Projects	245,000	164,477	(80,523)	305,000	147,000	456,500
Total Expenditure	675,529	584,106	(91,423)	737,980	157,240	899,720
Rental Income	(43,900)	(42,990)	910	(43,900)	0	(43,900)
Interment Fees	(545,000)	(674,616)	(129,616)	(545,000)	0	(545,000)
Interest Income	(2,430)	(7,356)	(4,926)	(6,780)	1,490	(5,290)
Total Income	(591,330)	(724,962)	(133,632)	(595,680)	1,490	(594,190)
Transfer to Reserves	84,199	(140,856)	(225,055)	142,300	158,730	305,530

Risks & Issues Register ~ Merton & Sutton Joint Cemeteries Board as at June 2022

Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequence(s)	Impact code	Matrix	Current Score & Review History	Control Actions	Date provided
MSJCB Merton & Sutton Joint Cemeteries Board Risk Register		MSJCB							
MSJCB02 Pandemic leading to a reduction in income	Risk	Impact of a possible Pandemic on short, medium and long term income.	Initially, there has been an increase in income at the cemetery due to increased demand. It is foreseen that this has the potential to reduce demand in the short to medium term, impacting on pre-pandemic income levels.	It is envisaged that overall initial increase in income due to overall pandemic demand would negatively impact future annual income projections due to lower demand.	SP		9 13-Jun-2022	Business Continuity Plan in place utilises the MSJC for prioritised burials and if required as the site for mass burial. During 2021-22 the cemetery experienced higher level of income than expected and the pro-active addition of new landing beams across the cemetery linked to Special Projects program means good capacity at MSJC	13 Jun 2022
							9 22-Mar-2022		
							9 10-Feb-2022		
							9 14-Dec-2021		
MSJCB02a Delay in the delivery of the 2021/2022 Capital Programme of Works	Issue	The unknown nature of the current pandemic may have negative impacts on the ability of the programmed capital projects to be delivered in year. This is dependent on supplier resource availability and possible future Government, especially considering groundworks delivered during periods of past increases in positive cases.	The lack of installation of bearer beams has the potential to negatively impact available grave capacity. Replacement bearer beam programme can accommodate delay as long as memorial testing ensures H&S requirements. Road & pathway delays can be postponed if required.	SP		4 13-Jun-2022	Developed capital work programme has additional contingency periods worked within the plan and priority shall be given to projects that support operational necessities. A pro-active program of reinstatement and installation of new landing beams means MSJC has mitigated this risk	13 Jun 2022	
						4 22-Mar-2022			
						4 11-Feb-2022			
						6 14-Dec-2021			
MSJCB07a Poor operational service delivery	Risk	Poor service delivery achieved under contracting arrangements	The risk is that there will be a negative operational effect as a consequence of the externalisation of	Negative impact on service efficiency and quality leading to potential consequences in	R		3 13-Jun-2022	Client-side monitor the performance of the contract and the level of complaints this includes regular operational and capital improvement meeting	13 Jun 2022
							3 22-Mar-2022		

Code & Name	Risk or Issue	Risk Description	Cause(s)	Consequence(s)	Impact code	Matrix	Current Score & Review History	Control Actions	Date provided
			Merton and Sutton office administration, grounds maintenance and grave digging services.	terms of reputation and lower income.			3  14-Dec-2021 3  21-Sep-2021	Resources have been set aside to undertake memorial safety and bearer beam replacement work The development of a comprehensive Business Continuity Plan has enabled sustained and effective work during the Pandemic but we are now transitioning out of this phase of the BCP linked to government guidance	
MSJCB07c Failure of contracting-out arrangements	Risk	Withdrawal of the contractor from the contract	There is a risk that the contractor may withdraw from the contract and that Merton would need to re-provide the service.	Withdrawal from the contract either by design or through administration / liquidation will have an impact upon service provision during the interim changeover period whilst Merton re-provides the service.	R		6  13-Jun-2022 6  22-Mar-2022 6  14-Dec-2021 6  21-Sep-2021	Control measures have improved contract monitoring and management of the service provider through regular meetings, service reporting and service planning along with weekly updates on contract performance using Traffic Light System so we have site of any issues.	13 Jun 2022

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