

NORTH DEVON CREMATORIUM JOINT COMMITTEE

4th February 2022

REPORT OF TREASURER

BUDGET 2022/2023

1. INTRODUCTION

- 1.1. This report forecasts the final estimated position for 2021/22 and recommends the budgets for 2022/2023 for consideration by the Joint Committee.

2. RECOMMENDATIONS

- 2.1. The Joint Committee is recommended to:

- 2.1.1. Approve the basic cremation charge of £750 or any other amount as deemed appropriate by the Joint Committee for 2022/2023 as detailed in paragraph 6.1.
- 2.1.2. Approve the 2022/2023 Budgets as set out in paragraph 3 of the report.
- 2.1.3. Approve the other fees and charges as detailed in paragraph 6.2 and Appendix 2.
- 2.1.4. Approve the distribution of surpluses for 2021/22 of £416,230 to the constituent authorities as set out in table 3 and 7.2. £249,740 to North Devon Council and £166,490 to Torridge District Council.
- 2.1.5. Approve the transfer of £100,000 to the Equipment Replacement Reserve.

3. BUDGET SUMMARY

	Actual 2020/2021 £	Budget 2021/2022 £	Probable 2021/2022 £	Budget 2022/2023 £
Premises	290,177	185,370	193,038	188,370
Transport	439	1,000	239	750
Supplies & Services	222,242	224,000	188,192	215,500
Central Support & Employees	308,642	316,430	307,717	332,130
Total Expenditure	821,500	726,800	689,186	736,750
Fees	1,216,507	1,147,700	1,122,153	1,163,150
Sales	83,892	90,680	78,250	85,680
Interest	517	650	220	650
CAMEO*	5,544	4,000	4,202	3,500
Miscellaneous	1,189	0	1,727	0
Total Income	1,307,649	1,243,030	1,206,552	1,252,980
Contribution to Equipment Replacement Res	95,480	100,000	100,000	100,000
Distribution NDC	208,608	249,740	249,740	249,740
Distribution TDC	139,072	166,490	166,490	166,490
Surplus/(Deficit)	42,989	0	1,136	0

* Crematoria Abatement of Mercury Emissions Organisation

4. PROBABLE ESTIMATE 2021/22

4.1. The probable estimate for 2021/22 predicts a surplus of £1,136 after the surplus distribution is made to the two constituent authorities.

5. ESTIMATES 2022/2023

- 5.1. No general inflationary increase has been applied to the 2022/23 expenditure budgets.
- 5.2. All budgets have been reviewed and set in line with current activity and anticipated future spend.

- 5.3. For the purpose of the 2022/23 budget the estimated number of cremations has been reduced from 1,550 to 1,525.

6. FEES AND CHARGES 2022/2023

- 6.1. It is proposed to increase the cremation fee to £750 for 2022/23. The proposed charge of £750 represents an increase of 2.7%. The current prices for neighbouring crematoria are detailed in appendix 1 of this report.
- 6.2. The proposed fees and charges for 2022/23 are attached in appendix 2. Fees and charges have been increased by 2% or other amount's as considered appropriate by the Crematorium Manager. No change to Webcast/Tribute Services. The current fees for 2021/22 have been included for comparison.

7. DISTRIBUTION OF SURPLUSES

- 7.1. The 2022/23 budget allows for £416,230 to be distributed to the constituent authorities.
- 7.2. It is proposed that the surpluses to be distributed in respect of 2021/22 are £249,740 to North Devon Council and £166,490 to Torridge District Council.

8. RESERVE TRANSFER

- 8.1. The estimate allows for a transfer to the Equipment Replacement Reserve of £100,000 at the end of the 2022/23 financial year.
- 8.2. A working balance of £100,000 would be maintained, which is sufficient in light of the risks facing the Crematorium.
- 8.3. Projected funds available in the Capital and General Reserves are detailed below:

	31 st March 2021	Projected 31 st March 2022	Projected 31 st March 2023
	£	£	£
Capital Funding Reserve	384,267	384,267	384,267
Equipment Replacement Res	495,480	595,480	695,480
General Reserve	100,000	100,000	100,000
	979,747	1,079,747	1,179,747

- 8.4 These figures do not include the projected surplus identified in 3 above of £1,136.
- 8.5 The Capital Funding Reserve was set up to fund capital projects within the crematorium. The remaining balance will be available for Phase B (Garage/Memorial Hall).
- 8.6 The Equipment Replacement Reserve has been established to set aside resources to ensure that sufficient funds are available when the cremators and filtration equipment reach the end of their useful life, and also to provide the funding for hearth replacements and cremator re-linings when required. The level and contributions to the reserves will be monitored to ensure the reserve is adequate to cover future needs.

Mark Knight
20th January 2022