

# STATEMENT OF ACCOUNTS 2011—2012



## BREBY CREMATORIUM JOINT COMMITTEE



# **BRETBY CREMATORIUM JOINT COMMITTEE**

## **STATEMENT OF ACCOUNTS**

**2011 – 2012**

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# EXPLANATORY FOREWORD

## Introduction

These accounts are presented in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom, published by the Chartered Institute of Public Finance and Accountancy in line with international financial reporting standards.

On April 27<sup>th</sup> 2011, both East Staffordshire Borough Council and South Derbyshire District Council finalised the sale of both Bretby Crematorium and the underlying business to Midlands Co-operative.

The accounts represent the final set of accounts in relation to the Joint Committee which was formally dissolved on 1<sup>st</sup> August 2011.

## Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Account on page 4, shows a net operating deficit of £1.5m. This statement is presented in the format consistent with the Code of Practice on Local Authority accounting and includes a net gain on the sale of the Crematorium of £5.5m and also dividends payable to the constituent authorities of £6.7m.

The underlying revenue surplus stands at £69,710 and this has been distributed to the constituent authorities, as set out in the table below. This sum takes into account a final cessation payment to the pension fund of £520,000.

The receipt from the sale, after taking into account outstanding loan liabilities, has also been distributed to the constituent authorities, as set out in the table below.

## Final Reserves and Dividends

The General reserve had a final balance £69,710. The resulting revenue surplus has been shared between the constituent authorities in line with the constitution as follows:

East Staffordshire Borough Council	54%	£37,643
South Derbyshire District Council	46%	£32,067
Total	100%	£69,710

In addition, after repayment of debt obligations of £740,706 the residual capital receipt of £6,683,208 has been paid to the constituent authorities as follows:

East Staffordshire Borough Council	54%	£3,608,932
South Derbyshire District Council	46%	£3,074,276
Total	100%	£6,683,208

The Woodland Fund consists of public donations towards the maintenance of the woodland area at the Crematorium. The balance at the end of the financial year of £17,959 has been transferred to a ringfenced account at East Staffordshire Borough Council pending either formal agreement with Midland Co-operative to transfer the fund or the provision of evidence of qualifying expenditure.

# **GUIDE TO THE MAIN FINANCIAL STATEMENTS**

The Joint Committee accounts for the year 2011/2012 are set out on the following pages. The accounts comprise:

## **Statement of Responsibilities for the Statement of Accounts**

Within this statement the respective responsibilities of the Joint Committee and the Treasurer are set out in relation to the preparation of the accounts, and also of member approval of the accounts.

## **Comprehensive Income and Expenditure Statement**

This Account sets out the net cost of Bretby Crematorium, and also shows corporate income and expenditure relating to the Joint Committee as a whole, to arrive at a net operating surplus or deficit for the year. The surplus or deficit on the provision of services' line shows the economic cost of operating Bretby Crematorium.

## **Movement in Reserves Statement**

This statement shows the movement in the year on the different reserves held by the Joint Committee, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other reserves.

The Statement also includes a number of statutory adjustments required to the surplus or deficit on the provision of services.

## **Balance Sheet**

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Joint Committee. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee. As this is the final balance sheet there are no assets or liabilities remaining.

Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those that the Joint Committee may use to provide services. The second category of reserves is those that the Joint Committee is not able to use to provide services. This category includes reserves linked to the Pension fund and also reserves relating to the un-financed element of fixed assets.

## **Cash Flow Statement**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

# STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

## The Joint Committee's Responsibilities

The Joint Committee is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. For the Joint Committee, that officer is the Head of Finance of East Staffordshire Borough Council who acts as Treasurer to the Joint Committee;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- approve the Statement of Accounts.

## The Treasurer to the Joint Committee's Responsibilities

The Head of Finance is responsible for the preparation of the Joint Committee's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ("the Code").

In preparing this Statement of Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the Code of Practice.

The Treasurer has also:

- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

## Certificate of the Treasurer to the Joint Committee

I certify that this Statement of Accounts gives a true and fair view of the financial position of the Crematorium at 31 March 2012 and its income and expenditure for the year ended 31 March 2012.

**Stephen Hinds CPFA**  
**Treasurer to the Joint Committee**

Date: 16<sup>th</sup> August  
2012

## Member Approval of the Statement of Accounts

The approval of the 2011 – 2012 accounts on behalf of East Staffordshire Borough Council has been delegated to the Leader of the Council.

**Cllr Richard Grosvenor**  
**Leader, East Staffordshire Borough Council**

Date: 16<sup>th</sup> August  
2012.

The Statement of Accounts for 2011 – 2012 were presented to, and approved by the Finance and Management Committee at South Derbyshire District Council on the.....

**Chair, Finance and Management Committee, South Derbyshire District Council**      **Date:**

# COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

## For the year ended 31 March 2012

	Note	2011/2012			2010/2011		
		Gross Expenditure £	Gross Income £	Net Expenditure £	Gross Expenditure £	Gross Income £	Net Expenditure £
Bretby Crematorium	2	331,715	32,061	299,654	741,569	557,671	183,898
Pensions - Past Service Gain		-	-	-	-	149,646	(149,646)
<b>Cost of Service</b>		<b>331,715</b>	<b>32,061</b>	<b>299,654</b>	<b>741,569</b>	<b>707,317</b>	<b>34,252</b>
(Gain)/Loss on disposal of asset	3			(5,523,914)			-
Dividends - Capital	4			6,683,208			-
Dividends - Revenue	4			69,710			-
				<u>1,229,004</u>			-
Interest Payable				1,671			21,835
Investment Income				(170)			(2,716)
Pension Interest Cost				-			18,868
				<u>1,501</u>			<u>37,987</u>
<b>(Surplus)/Deficit on Provision of Service</b>				<b>1,530,159</b>			<b>72,239</b>
Actuarial (gains)/losses on pension assets/liabilities				<u>0</u>			<u>(138,008)</u>
<b>Total Comprehensive Income and expenditure</b>				<u><u>1,530,159</u></u>			<u><u>(65,769)</u></u>

# **MOVEMENT IN RESERVES STATEMENT** For the year ended 31 March 2012

	Note	General Balance	Earmarked Reserves	Total Usable Reserves	Unusable Reserves	Total Reserves
		£	£	£	£	£
<b>Balance at 31 March 2011 carried forward</b>		646,140	18,036	664,176	865,983	1,530,159
<b>Movement in reserves during 2010/11</b>						
Deficit on provision of services		(1,530,159)	-	(1,530,159)	-	(1,530,159)
Other Comprehensive Income and Expenditure		-	-	-	293,311	293,311
Total Comprehensive Income and Expenditure		(1,530,159)	-	(1,530,159)	293,311	(1,236,848)
Adjustments between accounting basis & funding basis under regulations	5	865,983	-	865,983	(1,159,294)	293,311
Net Increase before Transfers to Earmarked Reserves		(664,176)	0	(664,176)	(865,983)	(1,530,159)
Transfers to/from Earmarked Reserves	6	18,036	(18,036)	-	-	-
Increase/(Decrease) in Year		(646,140)	(18,036)	(664,176)	(865,983)	(1,530,159)
<b>Balance at 31 March 2012</b>		-	-	-	-	-

# **MOVEMENT IN RESERVES STATEMENT** **For the year ended 31 March 2011**

	Note	General Balance	Earmarked Reserves	Total Usable Reserves	Unusable Reserves	Total Reserves
		£	£	£	£	£
<b>Balance at 31 March 2010 carried forward</b>		<b>427,106</b>	<b>18,569</b>	<b>445,675</b>	<b>1,018,715</b>	<b>1,464,390</b>
<b>Movement in reserves during 2010/11</b>						
Deficit on provision of services		(72,239)	-	(72,239)	-	(72,239)
Other Comprehensive Income and Expenditure		-	-	-	138,008	138,008
Total Comprehensive Income and Expenditure		(72,239)	-	(72,239)	138,008	65,769
Adjustments between accounting basis & funding basis under regulations	5	290,740	-	290,740	(290,740)	-
Net Increase before Transfers to Earmarked Reserves		<b>218,501</b>	<b>-</b>	<b>218,501</b>	<b>(152,732)</b>	<b>65,769</b>
Transfers to/from Earmarked Reserves	6	533	(533)	-	-	-
Increase/(Decrease) in Year		<b>219,034</b>	<b>(533)</b>	<b>218,501</b>	<b>(152,732)</b>	<b>65,769</b>
<b>Balance at 31 March 2011 carried forward</b>		<b>646,140</b>	<b>18,036</b>	<b>664,176</b>	<b>865,983</b>	<b>1,530,159</b>

# BALANCE SHEET

## as at 31<sup>st</sup> March 2012

31st March 2011 £		31st March 2012 £
0	Property, Plant and Equipment	0
1,900,000	Assets Held for Sale	0
<b>1,900,000</b>	<b>Long Term Assets</b>	<b>0</b>
	<b>Current Assets</b>	
215,785	Short Term Debtors	0
448,391	Cash and Cash Equivalents	0
<b>664,176</b>	<b>Current Assets</b>	<b>0</b>
0	Short Term Creditors	0
<b>0</b>	<b>Current Liabilities</b>	<b>0</b>
(740,706)	Long Term Borrowing	0
(293,311)	Pension Liability	0
<b>(1,034,017)</b>	<b>Long Term Liabilities</b>	<b>0</b>
<b>1,530,159</b>	<b>Net Assets</b>	<b>0</b>
	<b>Financed by:</b>	
1,159,294	Capital Adjustment Account	0
(293,311)	Pension Fund Reserve	0
<b>865,983</b>	<b>Unusable Reserves</b>	<b>0</b>
	Usable Reserves	0
646,140	General Balance	0
18,036	Woodland Fund	0
<b>664,176</b>	<b>Usable Reserves</b>	<b>0</b>
<b>1,530,159</b>	<b>Total Net Worth</b>	<b>0</b>

# CASH FLOW STATEMENT

## For the year ended 31 March 2012

	Note	2011/2012 £	2010/2011 £
Net (surplus) or deficit on the provision of services		1,530,159	72,239
Adjustments to net surplus or deficit on the provision of services for non-cash movements	10	<u>(1,822,474)</u>	<u>793</u>
<b>Net cash flows from operating activities</b>		<b>(292,315)</b>	<b>73,032</b>
Investing activities	11	0	15,243
Financing activities	12	740,706	10,779
<b>Net (increase) or decrease in cash and cash equivalents</b>		<b>448,391</b>	<b>99,054</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>(448,391)</b>	<b>(547,445)</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>0</b>	<b>(448,391)</b>

# NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES

### General Principles

The Statement of Accounts summarises Bretby Crematorium's transactions for the 2011/2012 financial year and its position as at the year-end 31 March 2012. It has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2011/12 and the Service Reporting Code of Practice, supported by International Financial reporting Standards (IFRS). The accounting convention adopted is historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

### Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Fees, charges and rents due from customers are accounted for as income at the date the Crematorium provides the relevant service.
- Supplies are recorded as expenditure when they are consumed. Exceptions to this principle relate to electricity, gas and similar periodic payments, which are charged at the date of meter reading rather than being apportioned between financial years.
- Interest payable and receivable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet.

### Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in one month or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### Exceptional Items

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Crematorium's financial performance.

### Charges to Revenue for Non-Current Assets

The accounts are debited with the following amounts to record the cost of holding the fixed assets during the year:

- Depreciation attributable to the assets
- Revaluation and impairment losses on assets

## Pensions Scheme

Following the sale of the Crematorium and subsequent transfer of employees to a new service provider there has been a cessation payment to the pension fund.

The payment amounting to £520,000 covers all future pension liabilities for those employees employed at the crematorium (both past and present).

This sum has been calculated by the actuary and is made up of the following:

	£000
Scheme Liabilities	(1,106)
Share of Assets	586
Deficit	(520)

## Events after the Balance Sheet

An event occurring after the balance sheet date of 31 March, which provides evidence of conditions which existed at 31 March, is an adjusting event with the amounts shown in the Statement of Accounts updated to take account of the new information.

An event occurring after 31 March which indicates conditions that arose from 1 April onwards is a non-adjusting event with no effect on amounts included in the Statement of Accounts. However if these events are material they are disclosed in the notes to the accounts.

## Investments

All investments have been recorded in the accounts at cost

## Stocks and Work in Progress

There is no stock or work in progress in the accounts.

## Overheads and Support Services

The costs of support services are charged to the services that benefit from the support service in accordance with the costing principles of the CIPFA Best Value Accounting Code of Practice 2010. The total absorption costing principle is used with the full cost of support services being shared between users in proportion to the benefits received, with the exception of:

- Non-Distributed Costs – the impairment losses chargeable on Assets Held for Sale.

## Property, Plant and Equipment

Assets that have physical substance and are held for use in the provision of services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

## Recognition

All expenditure on the acquisition, creation or enhancement of tangible fixed assets is capitalised on an accruals basis, provided that it yields benefit to the Joint Committee it provides for more than one financial year. Expenditure that secures but does not extend the previously assessed standards of performance of the asset, e.g. repairs and maintenance, is charged to revenue as it is incurred.

## Measurement

Assets are initially measured at cost, comprising all expenditure that is directly attributable to bringing the asset into working condition for its intended use. The Joint Committee does not capitalise borrowing costs. Assets are then carried in the balance sheet using the following measurement bases:

- other land and buildings, vehicles, plant and equipment – fair value, determined as the amount that would be paid for the asset in existing use.

Where non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at fair value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against the balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

## Impairment

Assets are assessed at each year end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the revaluation reserve, the carrying amount of the asset is written down against the balance (up to the accumulated gains)
- Where there is no balance in the Revaluation Reserve or insufficient balance, the impairment is written down against the relevant service line in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

## Depreciation

Depreciation is provided for all property, plant and equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain community assets) and assets that are yet available for use (i.e. assets under construction).

**Depreciation is calculated on the following bases:**

- Buildings – straight line allocation over the useful life of the property as estimated by the valuer

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

**Disposals and Non-Current Assets Held for Sale**

When it becomes probable that the carrying amount of an asset will be recovered principally through the sale transaction rather than through its continuing use, it is reclassified as an asset held for sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the other operating expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previous losses recognised in the surplus or deficit on the provision of services. Depreciation is not charged on assets held for sale.

If assets no longer meet the criteria to be classified as assets held for sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as held for sale, and their recoverable amount at the date of the decision not to sell.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the other operating expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (ie netted off against the carrying value of the asset at the time of disposal).

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. These receipts are appropriated to the Capital Receipts Reserve from the General Fund balance in the Movement in Reserves Statement.

**Reserves**

The Joint Committee sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service revenue account in that year and included in the Net Cost of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the Movement in Reserves Statement.

**Value Added Tax**

Income and expenditure excludes any amounts related to VAT as all VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from them.

## 2. DETAILS OF INCOME AND EXPENDITURE

Full details of income and expenditure are shown in Appendix A on page 18

## 3. GAIN ON DISPOSAL OF ASSET

The disposal of the Crematorium and underlying business resulted in the following gain:

Capital Receipt	£7,423,914
Asset Valuation	£1,900,000
Gain on Disposal	£5,523,914

## 4. DIVIDENDS

Dividends have been paid to the constituent authorities in line with the constitution as follows:

<b>Capital</b>		
East Staffordshire Borough Council	54%	£3,608,932
South Derbyshire District Council	46%	£3,074,276
Total	100%	£6,683,208

<b>Revenue</b>		
East Staffordshire Borough Council	54%	£37,643
South Derbyshire District Council	46%	£32,067
Total	100%	£69,710

## 5. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

2011/12	General Balance	Total Movement in Unusable reserves
	£	£
<b>Adjustments primarily involving the Capital Adjustment Account</b>		
Asset Held for Sale	(1,900,000)	1,900,000
<b>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement</b>		
Repayment of debt	740,706	(740,706)
<b>Adjustments involving the Pensions Reserve</b>		
Reversal of items relating to retirement benefits debited or credited to Comprehensive Income and Expenditure	293,311	(293,311)
<b>TOTAL ADJUSTMENTS</b>	<b>(865,983)</b>	<b>865,983</b>

<b>2010/11 Comparative figures</b>	<b>General Balance</b>	<b>Total Movement in Unusable reserves</b>
	<b>£</b>	<b>£</b>
<b>Adjustments primarily involving the Capital Adjustment Account</b>		
Revaluation Losses on Plant, Property and Equipment	<b>(451,743)</b>	<b>451,743</b>
<b>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement</b>		
Minimum revenue provision for capital financing	<b>10,779</b>	<b>(10,779)</b>
Capital expenditure charged in-year to the General Fund Balance	<b>15,243</b>	<b>(15,243)</b>
<b>Adjustments involving the Pensions Reserve</b>		
Reversal of items relating to retirement benefits debited or credited to Comprehensive Income and Expenditure	<b>106,892</b>	<b>(106,892)</b>
Employers pensions contributions and direct payments to pensioners payable in the year	<b>28,089</b>	<b>(28,089)</b>
<b>TOTAL ADJUSTMENTS</b>	<b>(290,740)</b>	<b>290,740</b>

## 6. TRANSFER TO / FROM EARMARKED RESERVES

This note sets out the amounts set aside from the General Balance in earmarked reserves to provide financing for future expenditure plans.

### Woodland Fund

	<b>£</b>
Balance at 1st April 2010	18,569
Transfers out 2010/11	(6,966)
Transfers in 2010/11	6,433
<b>Balance at 31st March 2011</b>	<b>18,036</b>
Transfers out 2011/12	(354)
Transfers in 2011/12	277
<b>Balance at 31st March 2012</b>	<b>17,959</b>

The Woodland Fund consists of public donations towards the maintenance of the woodland area at the Crematorium. The balance at the end of the financial year of £17,959 has been transferred to a ringfenced account at East Staffordshire Borough Council pending either formal agreement with Midland Co-operative to transfer the fund or evidence of qualifying expenditure.

## 7. CASH AND CASH EQUIVALENTS

	31 March 2012	31 March 2011
	£	£
Cash at Bank	0	4,195
Cash Invested with ESBC	0	444,196
<b>Cash and Cash Equivalents</b>	<b>0</b>	<b>448,391</b>

## 8. USABLE RESERVES

Movements in the Joint Committee's usable reserves are detailed in the Movements in Reserves Statement.

## 9. UNUSABLE RESERVES

### (a) Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement. The account is credited with amounts set aside by the Joint Committee as financing towards the costs.

	31 March 2012	31 March 2011
	£	£
<b>Balance Brought Forward</b>	<b>1,159,294</b>	<b>1,585,015</b>
<u>Capital Financing</u>		
Revenue	-	15,243
<u>Reversal of Items debited or credited to the Comprehensive Income and Expenditure Statement</u>		
Depreciation and Impairment of Fixed Assets		(451,743)
Asset held for Sale	(1,900,000)	
<u>Other Movements</u>		
Debt Repayment	740,706	10,779
<b>Balance at 31st March</b>	<b>0</b>	<b>1,159,294</b>

## (b) Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Joint Committee accounts for post employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investments returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Joint Committee makes employers contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pension Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Joint Committee has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

	31 March 2012 £	31 March 2011 £
<b>Balance at 1 April</b>	<b>(293,311)</b>	<b>(566,300)</b>
Actuarial (gains) and losses on pensions assets and liabilities	-	138,008
Reversal of items relating to retirement benefits debited or credited to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement	293,311	106,892
Employers pension contributions and direct payments to pensioners payable in year	-	28,089
<b>Balance at 31st March</b>	<b>0</b>	<b>(293,311)</b>

## 10. CASH FLOW STATEMENT – OPERATING ACTIVITIES

Adjustments made to the Net Surplus or deficit on the Provision of Services for non cash and other movements not relating to operating activities are as follows:

	31 March 2012 £	31 March 2011 £
Impairment and downward revaluations	(1,900,000)	(451,743)
Increase/ decrease in debtors	(215,785)	215,785
Increase/decrease in creditors		101,770
pension liability	293,311	134,981
<b>Adjustment for non-cash movements</b>	<b>(1,822,474)</b>	<b>793</b>

The Cash flows for operating activities include the following items:

	<b>31 March 2012</b>	<b>31 March 2011</b>
	£	£
Interest received	<b>(170)</b>	<b>(2,716)</b>
Interest paid	<b>1,671</b>	<b>21,835</b>
<b>Total</b>	<b><u>1,501</u></b>	<b><u>19,119</u></b>

#### 11. CASH FLOW STATEMENT – INVESTING ACTIVITIES

	<b>31 March 2012</b>	<b>31 March 2011</b>
	£	£
Purchase of property, plant and equipment, investment property and intangible assets	<b>0</b>	<b>15,243</b>
<b>Total</b>	<b><u>0</u></b>	<b><u>15,243</u></b>

#### 12. CASH FLOW STATEMENT – FINANCING ACTIVITIES

	<b>31 March 2012</b>	<b>31 March 2011</b>
	£	£
Repayments of short and long term borrowing	740,706	10,779
<b>Total</b>	<b><u>740,706</u></b>	<b><u>10,779</u></b>

**BRETRY CREMATORIUM JOINT COMMITTEE**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 2011/2012**  
**PERIOD 1ST APRIL 2011 - 27TH APRIL 2011**

2010/11 £	INCOME	2011/2012 £	£
	<b>Customer and Client Receipts</b>		
20,832	Sales	4,608	
675,658	Fees and Charges	26,838	
4,394	Rents	338	
<u>700,884</u>			<u>31,784</u>
	<b>Woodland Fund</b>		
6,433	Contributions to Woodland Fund	277	
<u>6,433</u>			<u>277</u>
<u>707,317</u>	<b>TOTAL INCOME</b>		<u>32,061</u>
	<b>EXPENDITURE</b>		
	<b>Employees Expenses</b>		
191,058	Salaries, Honoraria, National Insurance & Superannuation	27,981	
0	Actuarial Strain Contributions	219,029	
(153,849)	FRS Liability	0	
4,452	Redundancy/Termination Costs	0	
6,403	Other Expenses	8	
<u>48,064</u>			<u>247,019</u>
	<b>Premises Expenses</b>		
53,171	Repair & Maintenance of Buildings	1,807	
6,430	Maintenance Agreement - Cremators	11,084	
7,270	Maintenance of Grounds	135	
36,821	Energy Costs	4,765	
39,663	Rates	3,258	
669	Water Services	216	
1,694	Refuse Removal	0	
3,224	Premises Insurance	0	
451,743	Downward revaluation of Fixed Assets	0	
<u>600,684</u>			<u>21,265</u>
	<b>Transport Expenses</b>		
1,039	Vehicle Maintenance Costs	13	
<u>1,039</u>			<u>13</u>
	<b>Supplies &amp; Services</b>		
18,977	Equipment, Furniture & Materials	1,666	
1,365	Clothing, Uniforms and Laundry	29	
8,795	Printing, Stationery & General Office Expenses	552	
12,850	Computer Services	4,938	
9,217	Wesley Music System	751	
362	Conference Expenses	0	
3,674	Consultants	1,620	
0	External Audit Fees	1,975	
(22,194)	Partial Exemption VAT liability	0	
3,529	Miscellaneous Expenses	120	
0	Professional Support	5,500	
35,573	Cost of Miscellaneous Items for Sale	1,502	
<u>72,149</u>			<u>18,653</u>

# APPENDIX A

2010/11 £	EXPENDITURE CONTINUED	2011/2012 £	£
	<b>Central Support Services</b>		
	<b>East Staffordshire Borough Council</b>		
1,617	Internal Audit	715	
0	Senior and project management	14,911	
5,000	Human Resources, Payroll & Payments	3,191	
1,450	Legal Services	5,166	
4,600	Financial Management	2,469	
<u>12,667</u>		<u>26,452</u>	
	<b>Woodland Fund</b>		
6,966	Woodland Fund Costs	354	
0	Fund balance transferred to ringfenced reserve	17,959	
<u>6,966</u>		<u>18,313</u>	
<u>741,569</u>	TOTAL EXPENDITURE	<u>331,715</u>	
<u>34,252</u>	NET DEFICIT/(SURPLUS) FOR YEAR	<u>299,654</u>	

