

PORTCHESTER CREMATORIUM JOINT COMMITTEE ACCOUNTING STATEMENTS

	31 March 2010 £	31 March 2011 £	Notes All figures rounded to the nearest £
1. Balance brought forward	1,630,993	2,217,822	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of the previous year.
2. (+) Annual precept	0	0	Total amount of precept receivable or received in the year.
3. (+) Total other receipts	1,899,694	1,904,764	Total receipts or income as recorded in the accounts less precept received. Includes support, discretionary and revenue grants.
4. (-) Staff costs	(229,606)	(231,136)	Total expenditure or payments made to and on behalf of all employees. Includes salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on borrowings (if any)
6. (-) Total other costs	(1,083,259)	(1,391,457)	Total expenditure or payments as recorded in the accounts less staff costs (line 4) and loan interest/capital repayments (line 5). Note 2 page 9
7. (=) Balances carried forward	2,217,822	2,499,993	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	2,217,822	2,499,993	The sum of all current and deposit accounts, cash holdings and short term investments held as at 31 March - to agree with bank reconciliation.
9. Total fixed assets and long term fixed assets	3,599,995	3,560,805	The recorded book value at 31 March of all fixed assets owned by the Joint Committee and any other long term assets e.g. loans to third parties and any long term investments.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. Trust funds (including charitable) disclosure note	No	No	The Joint Committee acts as sole trustee for and is responsible for managing trust funds or assets. (Readers should note that the figures above do not include any trust transactions).

I certify that 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, for the year ended 31 March 2011.

Signed by the Treasurer to the Joint Committee



Date: 20th June 2011

I confirm these accounting statements were approved by the Joint Committee and recorded as minute reference 417

Date: 20th 2011

Signed by Chair of the meeting at which these accounting statements were approved.



Date: 20th June 2011

SECTION 2 - ANNUAL GOVERNANCE STATEMENT

We acknowledge as members of Portchester Crematorium Joint Committee 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 2011, that:

	Agreed - Yes or No	'Yes' means that the Joint Committee:
1. We have approved the accounting statements which have been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	Yes	Prepared its accounting statements in the way prescribed by law.
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness	Yes	Made proper arrangements and accepted responsibility for safeguarding money and resources in its charge.
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the Joint Committee to conduct its business or on its finances.	Yes	Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4. We have provided proper opportunity during the year for exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	Yes	During the year has given all persons interested the opportunity to inspect and ask questions about the Joint Committee's accounts.
5. We have carried out an assessment of the risks facing the Joint Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes	Considered the financial and other risks it faces and has dealt with them properly.
6. We have maintained throughout the year an adequate and effective system of internal audit of the Joint Committee's accounting records and control systems and carried out a review of its effectiveness.	Yes	Arranged for a competent person independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Joint Committee and reviewed the impact of this work.

7. We have taken appropriate action on all matters raised in reports from internal and external audit.	Yes	Responded to matters brought to its attention by internal and external audit.
8. We have 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.	Yes	Disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. Trust funds (including charitable) - in our capacity as the sole managing trustee we have discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	N/A	Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by the Joint Committee and recorded as minute reference 418 dated 20 June 2011

Signed on behalf of the Portchester Crematorium Joint Committee

Signed by: Chair

D. McNeill

Date

20th Jun 2011

Signed by: Clerk

John Hasleby

Date

20 June 2011

Section 4 - Annual internal audit report to Portchester Crematorium Joint Committee

The council's internal audit, 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 2011.

Internal audit has been carried out in accordance with the council'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 council.

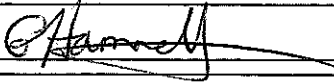
Internal control objective		Agreed? Please choose from one of the following Yes/No/Not covered**
A.	Appropriate books of account have been properly kept throughout the year.	Not covered It is understood that Fareham Borough Councils FMS system is used. This will be specifically tested for the Crematorium transactions later in 2011/12.
B.	The council's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	YES
C.	The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Not covered Risk management arrangements were reviewed in detail in 2007/8 and considered to be satisfactory.
D.	The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	Not covered Budgetary control arrangements were reviewed in 2009/10 and considered to be strong. Further testing planned later in 2011/12.
E.	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES
F.	Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	YES
G.	Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	YES
H.	Asset and investments registers were complete and accurate and properly maintained.	Not covered Further testing planned later in 2011/12.
I.	Periodic and year-end bank account reconciliations were properly carried out.	Not covered Further testing planned later in 2011/12.
J.	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cash book, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	Not covered Further testing planned later in 2011/12.
K.	Trust funds (including charitable) The council has met its responsibilities as a trustee.	N/A

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

Assurance given in 2009/10 on:
Security of Cheque Stationery

Name of Person who carried out the internal audit: Elaine Hammell

Signature of person who carried out the internal audit



Date

16/6/11

* 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).

SECTION 3 – EXTERNAL AUDITOR'S CERTIFICATE AND OPINION

We certify that we have completed the audit of the annual return for the year ended 31 March 2011 of
Portchester Crematorium Joint Committee

Respective responsibilities of the council and the auditor

The council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The council is also responsible for preparing an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2011; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External Auditor's report

On the basis of our review, in our opinion the information contained in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we wish to draw to the attention of the council;

The Internal Auditor's 2011/12 review should cover the areas not addressed in 2010/11.

External Auditor's signature

Thomas Kelly

External Auditor's name

Thomas Kelly

Date

16/11/2011

Note

The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.