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1st May 2024

**WYLAM PARISH COUNCIL & Ovingham JOINT BURIAL COMMITTEE
INTERNAL AUDITOR'S REPORT - FINANCIAL YEAR 2023/2024**

I have examined the Statement of Accounts to 31st March 2024 and find the accounts and audit trail are satisfactory. I have also examined the internal audit procedures with regard to financial controls and accounting procedures and risk management control and conclude that the internal control objectives are adequate and effective.

However, I have some concerns regarding the financing of repairs to the Lodge at Ovingham Cemetery. My attention was drawn to this by payments in the OJBC accounts of refunds to the tenant for rent, gas and electricity amounting to some £1700 necessitated by failure of the gas supply and a leaking bath. On further examination of the accounts and meetings minutes it appears that considerable amounts are being spent on these repairs and ongoing. Although not affecting the financial year just ended, I consider they will have a major impact on the OJBC budget for the current financial year which might in turn affect all the contributing Parish Councils. I am continuing my examination and due to the urgency of the situation I will be reporting back as soon as I have completed my investigations.



W F PHILLIPS
(Internal Auditor)

**WYLAM PARISH COUNCIL & OVINGHAM JOINT BURIAL COMMITTEE
INTERNAL AUDITOR'S REPORT - FINANCIAL YEAR 2023/2024**

I have completed my examination of the above accounts and have the following comments:-

FINANCES

The OJBC bank balance at 31st March 2024 was £24,447.26 and spending is going to well exceed these cash reserves as £20,000+ is already committed and there will be more for roof repairs and additional costs of complying with the EPC and the Landlord and Tenant Act 1985. This extra work was identified in 2021 following the Building Surveyors, Newburn report.

MINUTES

Looking at the OJBC minutes for 20 February 2024 when the majority vote was for closure of the lodge with minimal spend and 6 March 2024 when the decision to carry out extensive repairs was taken I wanted to know what the new information was that forced such a drastic change. Generally a Council can only change a decision taken within 6 months if new information has come to light which renders the original decision a **nonsense**. It is not clear as to whether the forecast of a modest deficit in the cash reserves for the year to 31 March 2025 impacted the original decision to such an extent, but taking into account the cash flow mentioned in my previous paragraph, it does have major implications for the sustainability of the OJBC finances overall.

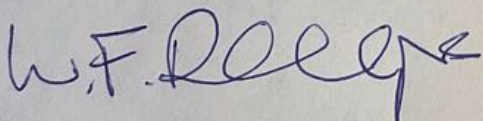
THE LODGE

Bearing in mind the OJBC's prime function is to manage and maintain Ovingham Cemetery, it concerns me that this situation has arisen due to several factors.

One is that the Lodge was inherited as part of the cemetery and as such it could be said lies outside the budget for running the cemetery.

Secondly, as a rented property it should to an extent be treated as any other in the private sector and a fair market rent charged.

And finally, could the costs to OJBC, in carrying out its duties as a landlord, be considered the correct way to spend public money?



W F PHILLIPS
(Internal Auditor)

7th May 2024