

# Guidelines for audit prior to sale of a cemetery

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The *Burial and Cremation Act 2019* (the Act) requires that if a cemetery manager intends to sell a cemetery, they must ensure that an audit of the cemetery is undertaken.

The purpose of the audit is to assess whether the current cemetery manager is meeting their obligations under the Act. This allows compliance issues to be brought to the attention of the Regulator and the purchaser.

A copy of the audit must be provided to the Regulator as part of the application for a certificate of compliance in respect of the proposed sale of the cemetery. This information will inform the Regulator's decision whether or not to issue a certificate of compliance.

A sale can only proceed where a certificate of compliance is issued. This ensures the new cemetery manager can have confidence that the cemetery was deemed by the Regulator to be compliant at the time of transfer.

The cemetery manager must also let the proposed purchaser under a contract of sale know that an audit has been undertaken and make a copy available to them (this forms part of the Cemetery Disclosure Document that, under Section 58 of the Act, must be provided by the cemetery manager to the proposed purchaser).

*For further information on the sale and transfer process and requirements please refer to:*

- [Selling a cemetery - Information Sheet](#)
- [Certificate of compliance – Application](#)
- [Cemetery sale and transfer process - Information Sheet](#)

## **Timeframe for audit**

Section 53 of the Act requires a cemetery manager who is intending to sell a cemetery to undertake an audit of the cemetery within six months of the publication of the notice of intention to sell (this can be before or after the notice is published).

## **Appointment of an auditor**

The Regulator requires that an audit that forms part of the application for a certificate of compliance be conducted by an auditor who is a member of a recognised professional body for auditors and does not have a conflict of interest in respect of the cemetery or the cemetery manager.

The auditor is to be appointed by the cemetery manager. The cost of the audit must be met by the cemetery manager.

### **Audit process**

The auditor must undertake assessment of the cemetery and cemetery manager's compliance with all obligations under the Act and the *Burial and Cremation Regulations 2015* (the Regulations). The auditor must also sight and verify all records required to be kept and held by the cemetery manager under the Act and/or the Regulations. This includes verifying that records are in a suitable format and can be provided to members of the public for viewing.

A single standard approach to the audit process may not be appropriate, given differences in factors such as status (open, closed), and the size of cemeteries. It is expected that the qualified auditor is best placed to determine the appropriate approach to assess compliance for each cemetery. For example, an audit of a large cemetery may only be of a sample of cemetery records if, in the opinion of the auditor, the sample size would provide a high degree of confidence with regard to the level of compliance for all records.

### **Audit Report**

The audit report prepared by the auditor must include:

- a clear explanation of the methodology used to undertake the audit, including the basis for opinion (with reference to relevant professional standards);
- results of assessment of compliance of the cemetery and cemetery manager against each obligation under the Act and the Regulations (including both the auditors opinion on compliance and details of the measures used to assess compliance);
- a copy of registers (interment, exclusive right of burial);
- a document identifying the plan/map of the cemetery with plot numbers;
- evidence (such as photos) indicating the condition of the cemetery grounds;
- evidence (such as photos, map) of public access to cemetery;
- details of any non-compliance identified in the audit and the proposed remedy to resolve the non-compliance (or if resolution is not possible/practical, detail why); and
- a statement of the auditors responsibilities and terms of engagement.

A copy of the audit report must be provided to the Regulator with the application for a certification of compliance.