



East Suffolk
Drainage Board

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING
31 MARCH 2022**

Pierpoint House
28 Horsleys Field
Kings Lynn
Norfolk
PE30 5DD

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE ACCOUNTING POLICIES

1 FINANCIAL REPORTING STANDARDS, REGULATION AND GUIDANCE

- (i) The Board has not elected to prepare a full Statement of Accounts required by larger public bodies (Category 1 Authorities), as provided for in the Local Audit and Accountability Act 2014.
- (ii) The Board has completed this Statement of Accounts in accordance with Regulation 11 of the Accounts and Audit Regulations 2015, which all Category 2 Authorities are required to do. The Board is a Category 2 Authority.
- (iii) The Annual Return has been prepared in accordance with proper practices that are set out in Sections 1 and 2 of the Guidance published by the Association of Drainage Authorities in 2022. This Statement of Accounts therefore includes the Accounting Statement reported on the Annual Return, which has been reconciled to the Income and Expenditure Account and Balance Sheet stated herein.

2 ACCOUNTING CONCEPTS

These Accounts have been prepared in accordance with the following accounting concepts:

Going Concern
Prudence
Accruals

3 FIXED ASSETS

- (i) Fixed Assets are recognised as expenditure on the acquisition, creation or enhancement of fixed assets. Assets with estimated useful economic lives in excess of one year and a value of £5,000 or above are capitalised on an accruals basis in the Accounts.
- (ii) All fixed Assets are valued on the following basis:

Land and buildings are included in the balance sheet at lower of net current replacement cost and net realisable value, net of accumulated depreciation. Net current replacement cost is assessed as:

Non-specialised operational properties - existing use value

Specialised operational properties - depreciated replacement cost

Vehicles, plant and equipment are included at cost less depreciation
- (iii) Disposals are written off at cost less depreciation. Any surplus/deficit arising is charged/credited to Exceptional Items in the Income and Expenditure Account.
- (iv) Depreciation has been provided for using the straight line method.
- (v) The useful lives of the various assets held on the Fixed Asset Register are as follows:

Aldeburgh Estuary Wall Defences: 30 years
Land: not depreciated
Buildings: 20 years

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE ACCOUNTING POLICIES

4 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost or net realisable value.

5 GOVERNMENT GRANTS AND SUBSIDIES

Government grants and contributions have been credited to the Income and Expenditure Account on an accruals basis. This is adjusted on the AGAR in accordance with proper practices as per the Practioners Guide 2022, on a cash receipt basis.

6 TAXATION

Drainage Boards are exempt from Income, Corporation and Capital Gains Taxes. Value Added Tax is included in the Income and Expenditure Account only to the extent that it is irrecoverable.

7 EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND PRIOR YEAR ADJUSTMENTS

- (i) There are no material exceptional or extraordinary items to disclose in the Accounts.
- (ii) Profits or losses on the disposal of fixed assets are shown separately on the face of the Income and Expenditure Account prior to the Operating Net Surplus/(Deficit).

8 INCOME RECOGNITION

Income is recognised at the time of invoicing. In the case of Drainage Rates this is on the 1st April annually.

9 RESERVES

The Board holds the following Reserves, the adequacy of which are reviewed by the Board annually. The Board has 6 sub districts and each one has its own General Reserve, Capital Reserve and Development Reserve:

- (i) **General Reserves**
The Association of Drainage Authorities guidance recommends that the General Reserve held by the Board is maintained at between 3 and 12 months Net Revenue Expenditure (NRE). The smaller the authority the closer the figure should be to 12 months NRE. In practice, any authority with a NRE of £200,000 should plan on 3 months equivalent General Reserve. The year end surplus/(deficit) for each Sub District is taken to the General Reserve.
- (ii) **Capital Reserves**
The purpose of this Reserve is to reduce the impact on drainage rates as and when pumping plant and gravity sluices are refurbished or improved, in accordance with the Pumping Station Refurbishment Programme and Capital Works Programme.
- (iii) **Development Reserves**
Development contributions and commuted sums that have been collected net of the expenditure incurred in collecting this income are usually held in a Development Reserve, and can be used to part fund future capital improvement work and any additional maintenance liabilities that the Board may agree to take on arising from such developments.

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE	INCOME AND EXPENDITURE ACCOUNT	ACTUAL 2020/21 £	ACTUAL 2021/22 £	BUDGET 2021/22 £	VARIANCE £
<u>INCOME</u>					
1	Drainage Rates	279,826	285,424	285,424	0
2	Special Levies issued by the Board	195,555	199,472	199,472	0
3	Grants Applied	5,142	27,207	0	27,207
4	Highland Water Contributions	90,747	118,779	69,043	49,736
5	Income from Rechargeable Works	695,069	1,110,062	40,000	1,070,062
6	Other Income	272,113	240,982	216,480	24,502
Total Income		£1,538,451	£1,981,926	£810,419	£1,171,507
<u>EXPENDITURE</u>					
7	Capital Works	5,142	27,207	0	-27,207
8	Environment Agency Precept	91,567	93,398	93,398	0
9	Maintenance Works	706,708	584,955	604,853	19,898
10	Administration Charges	163,030	174,784	178,579	3,795
11	Cost of Rechargeable Works	662,078	1,147,658	0	-1,147,658
12	Development Expenditure	0	0	0	0
Total Expenditure		£1,628,526	£2,028,003	£876,830	-£1,151,172
Profit/(Loss) on disposal of Fixed Assets		0	0	0	0
Net Surplus/(Deficit) for the Year		-£90,075	-£46,076	-£66,411	£20,335

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE BALANCE SHEET AS AT 31-3-2022		2020/21 £	MOVEMENT £	2021/22 £
13	Fixed Assets			
	Land and Buildings	86,744	-20,461	66,282
	Estuary Walls	382,510	-72,112	310,398
	Shared Consortium Assets	0	0	0
		469,254	-92,573	376,681
	Current Assets			
14	Cash at Bank and in Hand	470,816	-125,507	345,309
15	Short term Investments	3,250,000	250,000	3,500,000
16	Debtors and Prepayments	65,381	110,439	175,820
		3,786,197	234,931	4,021,129
	Current Liabilities			
17	Creditors and Receipts in Advance	408,619	-38,824	369,795
18	Loans Repayable within the next 12 months	90,535	2,889	93,423
		499,154	-35,935	463,218
	Net Current Assets	3,287,044	270,867	3,557,910
	Less Long Term Liabilities			
18	Long Term Borrowing	2,796,916	-93,423	2,703,493
		2,796,916	-93,423	2,703,493
	Net Assets	£959,382	£271,717	£1,231,098
	Reserves			
19	General Reserves	169,510	2,089	171,599
20	Grants Reserve	50,692	317,793	368,485
19	Development Reserve	77,645	0	77,645
19	Capital Reserves	661,534	-48,166	613,369
		959,382	271,717	1,231,098
	Reserves	£959,382	£271,717	£1,231,098

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

INCOME AND EXPENDITURE ACCOUNT	RIVER DEBEN (PUMPED)		LOWER ALDE (PUMPED)		AHB (PUMPED)		BLYTH (PUMPED)		BUDGET	GRAVITY		ALDE (TIDAL GRAVITY)		BUDGET	TOTAL ACTUAL
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL		BUDGET	ACTUAL	BUDGET	ACTUAL		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
INCOME															
Drainage Rates	35,528	35,528	174,700	174,700	11,777	11,777	9,572	9,572	26,433	26,433	27,414	27,414	285,424	285,424	
Special Levies issued by the Board	31,752	31,752	28,204	28,204	0	0	154	154	117,284	117,284	22,078	22,078	199,472	199,472	
Grants Applied	0	340	0	21,895	0	0	0	4,972	0	0	0	0	0	0	27,207
Highland Water Contributions	22,486	38,684	33,474	57,587	0	0	7,661	13,180	5,422	9,328	0	0	69,043	118,779	
Income from Rechargeable Works	0	0	0	0	0	0	0	0	40,000	1,110,062	0	0	40,000	1,110,062	
Other Income	75,768	84,214	87,674	96,672	21,648	23,716	16,236	17,909	10,824	13,754	4,330	4,716	216,480	240,981	
Total Income	£165,534	£190,518	£324,052	£379,059	£33,425	£35,493	£33,623	£45,786	£199,963	£1,276,861	£53,822	£54,208	£810,419	£1,981,926	
EXPENDITURE															
Capital Works	0	340	0	21,895	0	0	0	4,972	0	0	0	0	0	0	27,207
Environment Agency Precept	7,120	7,120	6,258	6,258	1,044	1,044	278	278	76,344	76,344	2,353	2,353	93,398	93,398	
Maintenance Works	144,989	173,100	315,905	299,954	25,791	24,293	35,103	31,998	42,821	13,843	40,244	41,768	604,853	584,955	
Administration Charges	21,429	20,974	35,716	34,957	7,143	6,991	3,572	3,496	107,147	104,870	3,572	3,496	178,579	174,784	
Development Expenditure	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cost of Rechargeable Works	0	-1,791	0	56,441	0	0	0	0	0	1,093,007	0	0	0	1,147,658	
Total Expenditure	£173,538	£199,744	£357,879	£419,505	£33,978	£32,329	£38,953	£40,744	£226,312	£1,288,065	£46,170	£47,617	£876,830	£2,028,003	
Profit/(Loss) on disposal of Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Surplus/(Deficit) for the Year	-£8,004	-£9,225	-£33,827	-£40,446	-£553	£3,164	-£5,330	£5,043	-£26,349	-£11,204	£7,652	£6,591	-£66,411	-£46,076	

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

STATEMENT OF MOVEMENT ON RESERVES	RIVER DEBEN (PUMPED)		LOWER ALDE (PUMPED)		AHB (PUMPED)		BLYTH (PUMPED)		BUDGET	GRAVITY		ALDE (TIDAL GRAVITY)		BUDGET	TOTAL
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL		ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£

GENERAL RESERVES

Opening Balances as 1-4-2021	114,719	114,719	19,833	19,833	14,156	14,156	8,749	8,749	14,232	12,009	10,000	44	181,689	169,510
Net Surplus/(Deficit) for the Year	-8,004	-9,225	-33,827	-40,446	-553	3,164	-5,330	5,043	-26,349	-11,204	7,652	6,591	-66,411	-46,076
Transfers (to)/from Development Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers (to)/from Capital Reserve	8,004	9,225	33,827	35,943	553	-3,164	5,330	-5,043	26,349	11,204	-7,652	0	66,411	48,166

Closing Balances as at 31-3-2022	£114,719	£114,719	£19,833	£15,330	£14,156	£14,156	£8,749	£8,749	£14,232	£12,009	£10,000	£6,635	£181,689	£171,599
---	-----------------	-----------------	----------------	----------------	----------------	----------------	---------------	---------------	----------------	----------------	----------------	---------------	-----------------	-----------------

CAPITAL RESERVES

Opening Balances as at 1-4-2021	230,069	255,584	293,813	241,635	33,513	17,393	44,503	40,874	121,477	104,934	4,555	1,115	727,930	661,534
Transfers (to)/from General Reserve	-8,004	-9,225	-33,827	-35,943	-553	3,164	-5,330	5,043	-26,349	-11,204	7,652	0	-66,411	-48,166

Closing Balances as at 31-3-2022	£222,065	£246,359	£259,986	£205,692	£32,960	£20,557	£39,173	£45,916	£95,128	£93,730	£12,207	£1,115	£661,519	£613,369
---	-----------------	-----------------	-----------------	-----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------	---------------	-----------------	-----------------

DEVELOPMENT RESERVES

Opening Balances as at 1-4-2021	0	0	0	0	0	0	0	0	77,645	77,645	0	0	77,645	77,645
Transfers (to)/from General Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Closing Balances as at 31-3-2022	£0	£0	£0	£0	£0	£0	£0	£0	£77,645	£77,645	£0	£0	£77,645	£77,645
---	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	----------------	----------------	-----------	-----------	----------------	----------------

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

OUR ID	NAME	ACTUAL 2020/21	ACTUAL 2021/22	BUDGET 2021/22	VARIANCE
<u>DRAINS MAINTENANCE</u>					
<u>SD1: River Deben (Tidal Pumped) Sub District</u>					
DRN179P0101/4/5	King's Fleet	0	0	1,310	1,310
DRN179P0102	Laurel Farm Delph	1,775	0	0	0
DRN179P0103	Gulpher	1,909	0	3,260	3,260
DRN179P0201	Falkenham Delph	4,018	0	0	0
DRN179P0204	Falkenham Marsh Drain	4,254	3,545	2,510	-1,035
DRN179P0202	Kirton Drain	4,723	0	0	0
DRN179P0205	King's Fleet Weir Drain	2,150	3,545	1,660	-1,885
DRN178P0301/3	Ramsholt Marsh	0	0	0	0
DRN178P0101/4	Queen's Fleet	0	5,970	7,830	1,860
DRN178P0201	Bawdsey Marsh	0	0	0	0
Contingency	Spraying	0	0	2,000	2,000
		£18,829	£13,060	£18,570	£5,510
<u>SD2: Lower Alde (Tidal Pumped) Sub District</u>					
DRN172P0101	Iken Marsh Drain	0	0	0	0
DRN171P0101	Ferry Farm Drain	0	0	0	0
DRN171P0201	Sudbourne Delph	0	0	0	0
DRN171P0202	Church Farm Drain	0	0	0	0
DRN170P0101	Gedgrave Drain (North)	0	0	0	0
DRN170P0201	Gedgrave Drain (South)	0	0	0	0
DRN168P0101	Chillesford Drain	0	0	0	0
DRN167P0101	Butley Marsh Drain	0	2,245	3,685	1,440
DRN167P0102	Stonebridge Drain	0	2,245	2,510	265
DRN167P0103	Capel Drain	0	2,245	2,260	15
DRN176P0101	Colony Marsh Drain	6,728	0	0	0
Contingency	Various	0	0	2,000	2,000
		£6,728	£6,735	£10,455	£3,720
<u>SD3: AHB (Tidal Pumped) Sub District</u>					
DRN176P0101	Holton Drain, Blyth	0	0	0	0
DRN177P0101	Alderton & Hollesley 1	0	0	0	0
DRN177P0201	Alderton & Hollesley 2	0	0	0	0
DRN177P0202	Alderton & Hollesley 3	0	0	0	0
DRN177P0301	Alderton & Hollesley	0	0	0	0
DRN177P0302	Alderton & Hollesley	0	0	0	0
DRN177P0303	Alderton & Hollesley	0	0	0	0
		£0	£0	£0	£0
<u>SD4: Blyth (Tidal Pumped) Sub District</u>					
DRN160P0101	Holton Drain, Blyth	0	0	4,910	4,910
DRN160P0102	Reyden	0	0	0	0
		£0	£0	£4,910	£4,910
<u>SD5: Gravity Sub District</u>					
DRN162G0101	Blyth, Henham Park	0	0	0	0
DRN164G0101	Thorpeness 100	0	0	0	0
	Bologney River (if enmained)	0	0	0	0
DRN182G0101/7	Shottisham River, Lower Deben	312	0	0	0
DRN180G0101/3	Ramsholt Dock Drain, Lower Deben	7,709	0	0	0
	Ringfence for Lower Deben at Ufford	0	0	4,000	4,000
	Middle Deben Drain	0	0	4,500	4,500
DRN163G0101	Eastbridge Drain, Minsmere	28,146	200	1,500	1,300
DRN163G0301	Theberton, Minsmere	0	0	0	0

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

OUR ID	NAME	ACTUAL 2020/21	ACTUAL 2021/22	BUDGET 2021/22	VARIANCE
DRN163G0401	Yew Tree Farm	0	0	0	0
DRN163G0203	Leiston 3, Minsmere	0	0	0	0
DRN163G0201	Leiston 1, Minsmere	0	0	0	0
DRN163G0202	Leiston 2, Minsmere	0	0	0	0
DRN161G0101	Holton Drain, Blyth	0	0	0	0
DRN163G0501	Darsham Station	0	0	960	960
DRN175G0201	Sternfield Drain, FRAT	0	0	0	0
DRN175G0401	Upper Alde (Rendham)	0	0	0	0
DRN175G0501	Bruisyard Hall Drain, Upper Alde	0	0	0	0
DRN175G0301	Blackstock Drain, Upper Alde	0	0	0	0
DRN183G0101/3	River Fynn, Lower Deben	0	0	0	0
DRN184G0901	Kettleburgh, River Deben	0	767	0	-767
DRN184G0801/3	Framsden Drain, Upper Deben	0	0	0	0
DRN184G0701	Horsefen Drain, Upper Deben	0	0	0	0
DRN184G0601	Moneweden Drain, Upper Deben	0	0	0	0
DRN184G0501	Rendlesham Drain, Upper Deben	0	0	1,860	1,860
DRN184G0101/5	Byng Brook, Upper Deben	7,201	0	0	0
DRN184G0201	Eyke Marsh Drain, Upper Deben	0	0	3,510	3,510
DRN184G0301/3	Loudham Drain, Upper Deben	0	0	3,510	3,510
DRN184G0401	Ashe Abbey Drain, Upper Deben	0	0	2,685	2,685
DRN190G0101	Wetherden Stream Catchment, River Gipping	456	0	0	0
DRN191G0101/3	Gipping Stream, River Gipping	0	0	720	720
DRN186G1001	Rattlesden River Catchment	0	0	0	0
DRN189G0101	Rattlesden River Catchment	0	0	2,080	2,080
DRN189G0102/3	Rattlesden River Catchment	0	0	0	0
DRN186G0901/2	Creeting's Watercourse	0	0	1,040	1,040
DRN186G0801/6	Badley Stream, River Gipping	70	0	0	0
DRN186G0701/4	Jack's Green Watercourse	786	730	700	-30
DRN186G0601/5	Coddenham Stream, River Gipping	0	0	0	0
DRN186G0301/4	Claydon Marsh Drain, River Gipping	0	0	0	0
DRN186G0201/3	Claydon Hill Drain, River Gipping	0	0	0	0
DRN186G0101	Bramford Marsh Drain, River Gipping	0	0	1,560	1,560
DRN186G0401	Barham Marsh Drain, River Gipping	0	0	0	0
DRN188G0101/5	River Jordan, River Gipping	0	0	1,300	1,300
DRN186G0501	Gallows Hill Drain, River Gipping	0	0	0	0
		£44,681	£1,697	£29,925	£28,228
SD6: Alde (Tidal Gravity) Sub District					
DRN169G0101	Butley Mill River, Lower Alde	1,705	0	0	0
DRN165G0102	Boyton Marsh Drain, Lower Alde	0	0	0	0
DRN165G0101	Boyton Marsh Delph, Lower Alde	0	0	0	0
DRN175G0101	The Canal, (Benhall)	0	0	0	0
		£1,705	£0	£0	£0
DRAINS MAINTENANCE		£71,943	£21,492	£63,860	£42,368

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

OUR ID	NAME	ACTUAL 2020/21	ACTUAL 2021/22	BUDGET 2021/22	VARIANCE
<u>PUMPING STATION MAINTENANCE</u>					
<u>SD1: River Deben (Tidal Pumped) Sub District</u>					
PMP178P001	Bawdsey Pumping Station				
	Power	3,024	9,946	6,000	-3,946
	Repairs and Maintenance	7,048	8,189	6,000	-2,189
	Superintendence	1,000	1,000	1,000	0
	Telemetry	0	93	250	157
		11,072	19,227	13,250	-5,977
PMP179P001	King's Fleet Pumping Station				
	Power	4,111	3,825	6,000	2,175
	Repairs and Maintenance	15,380	10,301	4,200	-6,101
	Superintendence (Gratis)	0	0	1,000	1,000
	Telemetry	0	93	250	157
		19,490	14,219	11,450	-2,769
PMP179P002	Falkenham Pumping Station				
	Power	8,601	8,078	6,000	-2,078
	Repairs and Maintenance	7,120	32,400	4,200	-28,200
	Superintendence	1,000	1,000	1,000	0
	Telemetry	0	93	250	157
		16,721	41,570	11,450	-30,120
		£47,284	£75,016	£36,150	-£38,866
<u>SD2: Lower Alde (Tidal Pumped) Sub District</u>					
PMP167P001	Butley Pumping Station				
	Power	8,331	4,733	6,000	1,267
	Repairs and Maintenance	9,958	8,362	4,200	-4,162
	Superintendence	1,000	1,000	1,050	50
	Depreciation	6,820	6,820	6,820	0
	Telemetry	0	93	250	157
		26,110	21,008	18,320	-2,688
PMP168P001	Chillesford Pumping Station				
	Power	3,550	-1,057	6,000	7,057
	Repairs and Maintenance	2,134	9,235	4,200	-5,035
	Superintendence	1,150	1,150	1,150	0
	Depreciation	6,820	6,820	6,820	0
	Telemetry	0	93	250	157
		13,655	16,242	18,420	2,178
PMP170P001	Gedgrave Pumping Station				
	Power	732	4,796	6,000	1,204
	Repairs and Maintenance	70,792	1,475	4,200	2,725
	Superintendence	1,050	1,050	1,050	0
	Depreciation	6,820	6,820	6,820	0
	Telemetry	0	174	250	76
		79,395	14,316	18,320	4,004
PMP172P001	Iken Pumping Station				
	Power	4,507	7,255	6,000	-1,255
	Repairs and Maintenance	6,351	4,991	4,200	-791
	Superintendence	1,205	1,205	1,050	-155
	Telemetry	0	0	250	250
		12,063	13,451	11,500	-1,951

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

OUR ID	NAME	ACTUAL 2020/21	ACTUAL 2021/22	BUDGET 2021/22	VARIANCE
PMP171P001	Sudbourne Pumping Station				
	Power	-812	1,383	6,000	4,617
	Repairs and Maintenance	10,399	2,789	4,200	1,411
	Superintendence	1,200	1,200	1,050	-150
	Telemetry	0	93	250	157
		10,787	5,465	11,500	6,035
PMP176P001	Colony Marsh Pumping Station				
	Power	-1,905	3,139	3,000	-139
	Repairs and Maintenance	6,365	4,000	900	-3,100
	Superintendence	1,000	1,000	1,000	0
	Telemetry	0	0	0	0
		£5,461	£8,139	£4,900	-£3,239
		£147,469	£78,621	£82,960	£4,339
SD4: Blyth (Tidal Pumped) Sub District					
PMP160P001	Reyden Pumping Station				
	Power	11,400	9,316	6,000	-3,316
	Repairs and Maintenance	3,715	3,370	3,600	230
	Superintendence	1,000	1,000	1,000	0
	Telemetry	0	93	250	157
		£16,115	£13,779	£10,850	-£2,929
PUMPING STATION MAINTENANCE		£210,868	£167,415	£129,960	-£37,455
<u>ESTUARY WALL REINSTATEMENT WORKS</u>					
Alde-Ore Estuary					
Aldeburgh Phase 1 Impairment charge		27,730	28,607	28,607	0
Revenue Contribution to Capital Outlay		42,446	43,505	43,505	0
		£70,176	£72,112	£72,112	£0
ESTUARY WALL REINSTATEMENT WORKS		£70,176	£72,112	£72,112	£0
DIRECT WORKS		£352,987	£261,019	£265,932	£4,913
TECHNICAL SUPPORT STAFF COSTS		244,751	210,367	219,735	£9,368
OTHER TECHNICAL SUPPORT COSTS		20,667	25,166	31,176	£6,010
EXTERNAL TECHNICAL SUPPORT COSTS		0	0	0	£0
BAP IMPLEMENTATION		4,500	7,393	7,000	-£393
TECHNICAL SUPPORT (INCLUDING BAP IMPLEMENTATION)		£269,918	£242,926	£257,911	£14,985
FINANCE COSTS (LOAN INTEREST: LOWER ALDE PUMPED)		£60,909	£58,878	£60,465	£1,587
FINANCE COSTS (LOAN INTEREST: LOWER ALDE TG)		£22,895	£22,132	£20,545	-£1,587
MAINTENANCE WORKS		£706,708	£584,955	£604,853	£19,898

From: 01 April 2021

Period: 12

To: 31 March 2022

Year Ending: 31 March 2022

Our ID	Capital Scheme	EA Ref.	GiA Level %	Actual 2009/10 to 2017/18 £	Actual 2018/19	Actual 2019/20	Actual 2020/21	Actual 2021/22	Annual Estimate 2021/22 £	Variance (2021/22) £	Cumulative Gross Cost C/Fwd £	Approved Cost £	Variance (adverse)/ favourable £	Grant Receivable £	Grant Received B/Fwd £	Grant Received 2021/22 £	Grant Received C/Fwd £	Grant Due/ (Unapplied) £	Grant Applied £
Grant Aided Works:																			
	Bawdsey Pumping Station		45%	28,469.50	0.00	0.00	0.00	0.00	0.00	0.00	28,469.50	30,000	1,530.50	12,811.28	13,500.00	0.00	13,500.00	-688.72	0.00
SCH01	Health & Safety Improvement Works	IDB0203	45%	36,742.28	0.00	0.00	0.00	0.00	0.00	0.00	36,742.28	39,000	2,257.72	16,534.03	17,550.00	0.00	17,550.00	-1,015.97	0.00
SCH03	Reydon Replacement Pump Study	IDB0219	45%	3,155.62	0.00	0.00	0.00	0.00	0.00	0.00	3,155.62	6,000	2,844.38	1,420.03	1,420.03	0.00	1,420.03	0.00	0.00
SCH04	Reydon Replacement Pump Scheme	IDB0236	100%	119,365.74	0.00	0.00	0.00	0.00	0.00	0.00	119,365.74	131,000	11,634.26	119,365.74	132,279.97	0.00	132,279.97	-12,914.23	0.00
SCH06	Alde Ore Estuary Tidal Defence	IDB0308	100%	28,980.21	16,065.66	0.00	0.00	0.00	0.00	0.00	45,045.87	50,000	4,954.13	45,045.87	50,000.00	0.00	50,000.00	-4,954.13	0.00
SCH07	Deben Estuary Tidal Embankment	IDB0317	100%	36,630.20	2,282.50	60.00	3,690.00	340.00	0.00	-340.00	43,002.70	56,000	12,997.30	43,002.70	56,000.00	0.00	56,000.00	-12,997.30	340.00
SCH08	Falkenham Marshes: Replacement & Relocation Feasibility	IDB0318	100%	53,572.52	1,600.15	690.00	1,451.80	0.00	0.00	0.00	57,314.47	70,000	12,685.53	57,314.47	75,000.00	0.00	75,000.00	-17,685.53	0.00
SCH09	Alde & Ore Estuary Modelling Study	IDB0406	100%	50,803.50	9,850.00	0.00	0.00	0.00	0.00	0.00	60,653.50	60,750	96.50	60,653.50	60,750.00	0.00	60,750.00	-96.50	0.00
SCH10	Alde and Ore Estuary WLM FCERM 7 Study	IDB0524	100%	0.00	0.00	0.00	0.00	21,895.00	0.00	-21,895.00	21,895.00	245,000	223,105.00	21,895.00	0.00	245,000.00	245,000.00	-223,105.00	21,895.00
SCH11	Tidal Blyth WLM FCERM 7 Study	IDB0525	100%	0.00	0.00	0.00	0.00	4,972.00	0.00	-4,972.00	4,972.00	100,000	95,028.00	4,972.00	0.00	100,000.00	100,000.00	-95,028.00	4,972.00
				357,719.57	29,798.31	750.00	5,141.80	27,207.00	0.00	-27,207.00	420,616.68	787,750.00	367,133.32	383,014.62	406,500.00	345,000.00	751,500.00	-368,485.38	27,207.00
Non-Grant Aided Works:																			
				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Totals				£357,719.57	£29,798.31	£750.00	£5,141.80	£27,207.00	£0.00	-£27,207.00	£420,616.68	£787,750	£367,133.32	£383,014.62	£406,500.00	£345,000.00	£751,500.00	-£368,485.38	£27,207.00

G BLOOMFIELD
PROJECT DEVELOPMENT MANAGER

From: 01 April 2021
 To: 31 March 2022

Period: 12
 Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

1 DRAINAGE RATES

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District	34,831	35,528	35,528	0
Lower Alde (Tidal Pumped) Sub District	171,274	174,700	174,700	0
AHB (Tidal Pumped) Sub District	11,546	11,777	11,777	0
River Blyth (Tidal Pumped) Sub District	9,385	9,572	9,572	0
Gravity Sub District	25,914	26,433	26,433	0
Alde (Tidal Gravity)	26,876	27,414	27,414	0
	279,826	285,424	285,424	0

2 SPECIAL LEVIES ON COUNCILS

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District:				
East Suffolk Council (Was Suffolk Coastal District Council)	31,129	31,752	31,752	0
Lower Alde (Tidal Pumped) Sub District:				
East Suffolk Council (Was Suffolk Coastal District Council)	27,651	28,204	28,204	0
River Blyth (Tidal Pumped) Sub District:				
East Suffolk Council (Was Waveney District Council)	151	154	154	0
Gravity Sub District:				
Babergh District Council	1,770	1,806	1,806	0
Ipswich Borough Council	37,493	38,245	38,245	0
Mid Suffolk Borough Council	39,751	40,548	40,548	0
East Suffolk Council (Was Waveney District Council)	3,048	3,109	3,109	0
East Suffolk Council (Was Suffolk Coastal District Council)	32,917	33,576	33,576	0
	114,979	117,284	117,284	0
Alde (Tidal) Gravity Sub District:				
East Suffolk Council (Was Suffolk Coastal District Council)	21,645	22,078	22,078	0
	195,555	199,472	199,472	0

Special Levies are due to be paid by constituent Councils in two equal halves on 1 May and 1 November every year.

3 GRANTS APPLIED

Grants Applied for this year and last year are as follows:

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
Capital Scheme				
River Deben (Tidal Pumped) Sub District:				
Deben Estuary Partnership Scheme Development	3,690	340	0	340
Bawdsey Pumping Station (Health & Safety Improvements)	0	0	0	0
King's Fleet Pumping Station (Health & Safety Improvements)	0	0	0	0
Falkenham Marshes: Pumping Station (Replacement & Relocation)	1,452	0	0	0
	5,142	340	0	340
Lower Alde (Tidal Pumped) Sub District:				
Public Works Loan of £3m - Annual Charges & Repayments	0	0	0	0
Alde & Ore Estuary Partnership Scheme Development	0	0	0	0
Alde & Ore Estuary Modelling Study	0	0	0	0
Iken Pumping Station (Health & Safety Improvements)	0	0	0	0
Sudbourne Pumping Station (Fish/Eel Friendly Replacement)	0	0	0	0
SCH10 Alde and Ore Estuary WLM FCERM 7 Study	0	21,895	0	21,895
	0	21,895	0	21,895
AHB (Tidal Pumped) Sub District:				
Colony Marsh Pumping Station (Health & Safety Improvements)	0	0	0	0
River Blyth (Tidal Pumped) Sub District:				
Reydon Marsh Pumping Station (Health & Safety Improvements)	0	0	0	0
Reydon Marsh Pumping Station Improvement Study	0	0	0	0
Reydon Marsh Pumping Station Improvement Scheme	0	0	0	0
SCH11 Tidal Blyth WLM FCERM 7 Study	0	4,972	0	4,972
	0	4,972	0	0
	5,142	27,207	0	22,235

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

4 HIGHLAND WATER CONTRIBUTIONS

- (i) This income now comes from the Environment Agency in September each year. Highland Water income has been derived from a relatively complex calculation designed to recompense the Board for managing the water that enters its Drainage District from the upper reaches of its hydraulic catchment.
- (ii) Highland water contributions are credited to each of the 6 Sub Districts according to an agreed fraction of the value of the maintenance work that has been carried out in each Sub District. These fractions are determined by the Environment Agency:

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District	35,557	38,684	22,486	16,198
Lower Alde (Tidal Pumped) Sub District	38,250	57,587	33,474	24,113
AHB (Tidal Pumped) Sub District	0	0	0	0
River Blyth (Tidal Pumped) Sub District	7,104	13,180	7,661	5,519
Gravity Sub District	9,073	9,328	5,422	3,906
Alde (Tidal Gravity) Sub District	763	0	0	0
	90,747	118,779	69,043	49,736

5 INCOME FROM RECHARGEABLE WORKS

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Saltmarsh Restoration Fencing at Waldringfield	0	0	0	0
Upper Deben	0	0	0	0
	0	0	0	0
Lower Alde (Tidal Pumped) Sub District:				
Iken Wall	0	0	0	0
Alde and Ore Costed Delivery Programme	0	0	0	0
	0	0	0	0
AHB (Tidal Pumped) Sub District:				
Twin Banks Watercourse (EA)	0	0	0	0
	0	0	0	0
River Blyth (Tidal Pumped) Sub District:				
N/A	0	0	0	0
Gravity Sub District:				
Aldeburgh Golf Course	0	0	0	0
Coastal Partnerships East	342,438	376,814	40,000	336,814
East Suffolk Council (ESC001)	0	24,890	0	24,890
RESC0002	0	8,670	0	8,670
RESC0003	0	3,760	0	3,760
RFP0001	75,000	0	0	0
SCC Kirkley	59,195	0	0	0
Michael Paul - Kirton Drain Adoption (RMP0001)	9,370	0	0	0
RAB0001	54	0	0	0
RAWB001	7,165	0	0	0
RBE0001	0	4,095	0	4,095
RKE0001	0	1,667	0	1,667
RKI0016	0	12,550	0	12,550
RLE0001	0	40,018	0	40,018
RROX001	810	0	0	0
RST0003	14,455	0	0	0
RSU0001	0	81,729	0	81,729
RTH0001	0	505,052	0	505,052
RUD0004	0	3,000	0	3,000
RVCS001	3,700	0	0	0
Waveney District Council RWV0007 - re Lowestoft Barrier Deployment	44,808	41,255	0	41,255
WEG Kingsfleet (SCC)	132,801	504	0	504
Broads (2006) IDB Recharge	4,081	0	0	0
Norfolk Rivers IDB	954	228	0	228
Waveney IDB	0	5,661	0	5,661
WMA Recharge	239	169	0	169
	695,069	1,110,062	40,000	1,070,062
	695,069	1,110,062	40,000	1,070,062

From: 01 April 2021
 To: 31 March 2022

Period: 12
 Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

6 OTHER INCOME

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Investment Interest	7,424	1,738	0	1,738
Surface Water Development Contribution	0	0	0	0
Other Income from WMA (35%)	85,239	82,423	75,768	6,655
Summons Costs	0	53	0	53
	92,663	84,214	75,768	8,446
Lower Alde (Tidal Pumped) Sub District:				
Investment Interest	10,001	1,228	0	1,228
Surface Water Development Contribution	0	0	0	0
Other Income from WMA (40.5%)	103,505	95,375	87,674	7,701
Other Income (Insurance Claim)	1,482	0	0	0
Summons Costs	0	69	0	69
	114,989	96,672	87,674	8,998
AHB (Tidal Pumped) Sub District:				
Investment Interest	1,429	148	0	148
Surface Water Development Contribution	0	0	0	0
Other Income from WMA (10%)	24,354	23,549	21,648	1,901
Summons Costs	0	18	0	18
	25,783	23,716	21,648	2,068
River Blyth (Tidal Pumped) Sub District:				
Investment Interest	1,465	233	0	233
Surface Water Development Contribution	0	0	0	0
Other Income from WMA (7.5%)	18,266	17,662	16,236	1,426
Summons Costs	0	14	0	14
	19,731	17,909	16,236	1,673
Gravity Sub District:				
Investment Interest	5,814	914	0	914
Surface Water Development Contribution	0	0	0	0
Other Income from WMA (5%)	12,177	11,775	10,824	951
Other Income	920	920	0	920
Summons Costs	0	145	0	145
	18,911	13,754	10,824	2,930
Lower Alde (Tidal Gravity) Sub District:				
Investment Interest	37	6	0	6
Surface Water Development Contribution	0	0	0	0
Other Income from WMA (2%)	0	4,710	4,330	380
Summons Costs	0	0	0	0
	37	4,716	4,330	386
	272,113	240,982	216,480	24,501

Investment Interest is apportioned to each sub district according to the closing balances of the Sub District, when expressed as a proportion of the Board's total closing balances as at the previous year end: River Deben (40.75%), Lower Alde (28.77%), AHB (3.47%), River Blyth (5.46%), Gravity (21.41%) and Lower Alde TG (0.14%).

7 CAPITAL WORKS

- (i) The following capital work was undertaken during this year and last year. The Board is happy to receive any questions the reader may have about this work and contact details can be accessed from our website:

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
Grant Aided Works				
SD1 River Deben (Tidal Pumped) Sub District:				
Deben Estuary Partnership Scheme Development	3,690	340	0	-340
Falkenham Marshes: Pumping Station (Replacement & Relocation)	1,452	0	0	0
	5,142	340	0	-340
SD2 Lower Alde (Tidal Pumped) Sub District:				
Alde & Ore Estuary Tidal Defence Refurbishment	0	0	0	0
Alde & Ore Estuary Modelling Study	0	0	0	0
SCH10 Alde and Ore Estuary WLM FCERM 7 Study	0	21,895	0	-21,895
	0	21,895	0	-21,895
SD4 River Blyth (Tidal Pumped) Sub District:				
Reydon Marsh Pumping Station Improvement Scheme	0	0	0	0
SCH11 Tidal Blyth WLM FCERM 7 Study	0	4,972	0	-4,972
	0	4,972	0	-4,972
SD6 Alde (Tidal Gravity) Sub District:				
Public Works Loan: £3m, Interest Payments	0	0	0	0
Public Works Loan: £3m, Principal Repayments	0	0	0	0
	0	0	0	0
	5,142	27,207	0	-27,207

From: 01 April 2021
 To: 31 March 2022

Period: 12
 Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

8 ENVIRONMENT AGENCY PRECEPT

The Precept is paid to the Environment Agency for maintaining the main rivers and sea defences that help protect the Board's area. Half of the Precept is payable to the Environment Agency on 31 May and the other half is paid to them on 30 November each year. The amount payable is apportioned to each of the Board's sub districts according to assessable value:

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District	6,980	7,120	7,120	0
Lower Alde (Tidal Pumped) Sub District	6,136	6,258	6,258	0
AHB (Tidal Pumped) Sub District	1,024	1,044	1,044	0
Blyth (Tidal Pumped) Sub District	273	278	278	0
Gravity Catchments Sub District	74,847	76,344	76,344	0
Alde (Tidal Gravity) Sub District	2,307	2,353	2,353	0
	91,567	93,398	93,398	0

9 MAINTENANCE WORKS

- (i) The detailed maintenance work undertaken in each of the Board's sub districts is charged directly and can be viewed in the Maintenance section of this Report (other than Technical Support Costs, which are apportioned as follows: Lower Deben 35%, Lower Alde 42.5%, AHB 10%, River Blyth 7.5% and the Gravity Areas 5%. Maintenance work undertaken during this year and last year is summarised as follows:

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District	160,584	173,100	144,989	-28,111
Lower Alde (Tidal Pumped) Sub District	380,887	299,954	315,905	15,951
AHB (Tidal Pumped) Sub District	26,992	24,293	25,791	1,498
Blyth (Tidal Pumped) Sub District	36,359	31,998	35,103	3,105
Gravity Catchments Sub District	58,177	13,843	42,821	28,978
Alde (Tidal Gravity) Sub District	43,709	41,768	40,244	-1,523
	706,708	584,955	604,853	19,898

10 ADMINISTRATION CHARGES

- (i) Administration charges include the Board's share of consortium expenditure, together with other expenses shown below (excluding technical support costs, which are included in the maintenance works expenditure). Detailed expenditure is regularly monitored by the Consortium Management Committee and the Board. The Board's representatives are happy to receive any questions the reader may have and their contact details can be accessed from the Board's website:

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
(ii) Shared Administration Staff Costs	118,518	129,533	135,449	5,916
Other Staff Administration Costs	7,771	17,389	8,000	-9,389
Shared ICT Charges	6,640	8,593	6,258	-2,335
Other Shared Administration Charges	21,233	7,924	20,265	12,341
Other Administration Costs	6,701	7,753	7,107	-646
	160,864	171,192	177,079	5,887
Anglia Farmers Annual Subscription	240	250	250	0
Sundry Expenses	0	110	0	-110
Drainage Rates: AV Increases/Decreases	979	2,093	100	-1,993
Drainage Rates: Settlement Discount	948	1,139	1,150	11
Other Expenses	2,166	3,592	1,500	-2,092
Total Administration Charges	163,030	174,784	178,579	3,795

(iii) **Consortium Charges**

	Y-T-D Budget	Y-T-D Actual
<u>Expenses</u>		
Technical Support Staff (see Maintenance Works Sheet)	219,735	210,367
Other Technical Support (see Maintenance Works Sheet)	31,176	25,166
Administration Staff Costs (note 10ii)	135,457	129,533
Other Administration Costs (Note 10ii)	41,621	41,659
Shared Income from the WMA (note 6)	-233,479	-235,494
Net Consortium Charge	194,511	171,231

From: 01 April 2021
 To: 31 March 2022

Period: 12
 Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

- (iv) Administration costs are apportioned to each of the Board's sub districts as follows: River Deben (12%), Lower Alde TP (20%), AHB (4%), River Blyth (2%), Gravity (60%) and Lower Alde TG (2%). The Consultancy for the funding initiative is apportioned to each of the 3 relevant sub districts according to their proportion of aggregate assessable value. Depreciation for the Estuary Walls is split across Lower Alde and Alde, according to the Loan Ratio Principle Lower Alde Pumped (72.77%) Alde TG (27.23%):

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District	19,564	20,974	21,429	455
Lower Alde (Tidal Pumped) Sub District	32,606	34,957	35,716	759
AHB (Tidal Pumped) Sub District	6,521	6,991	7,143	152
Blyth (Tidal Pumped) Sub District	3,261	3,496	3,572	76
Gravity Catchments Sub District	97,818	104,870	107,147	2,277
Alde (Tidal Gravity) Sub District	3,262	3,496	3,572	76
	163,029	174,784	178,579	3,793

11 COST OF RECHARGEABLE WORKS

	2020/21 Actual (£)	2021/22 Actual (£)	2021/22 Budget (£)	2021/22 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Upper Deben (RUD0002/3/4)	0	-1,791	0	1,791
Waldringfield Tidal Defence Reinstatement Work	0	0	0	0
Waldringfield Salt Marsh	0	0	0	0
Saltmarsh Restoration Fencing at Waldringfield	0	0	0	0
	0	-1,791	0	1,791

Lower Alde (Tidal Pumped) Sub District:				
Iken Wall	0	56,441	0	-56,441
Alde and Ore Costed Delivery Programme	0	0	0	0
Emergency Sea Wall Reinstatement Work: Ham Creek	0	0	0	0
Emergency Sea Wall Reinstatement Work: Hazlewood	0	0	0	0
	0	56,441	0	-56,441

AHB (Tidal Pumped) Sub District:				
Twin Banks Watercourse (EA)	0	0	0	0
	0	0	0	0

River Blyth (Tidal Pumped) Sub District:				
N/A	0	0	0	0

Gravity Sub District:

Coastal Partnership East WDC (RCPE001)	322,934	363,143	0	-363,143
Aldeburgh Golf Course	-100	0	0	0
RAB0001	54	0	0	0
RAWB001	4,174	0	0	0
RBE0001	0	4,095	0	-4,095
RESC0001	0	21,298	0	-21,298
RESC0002	0	6,207	0	-6,207
RESC0003	0	3,370	0	-3,370
Essex Wildlife Trust (RROX001)	810	0	0	0
RFP0001	75,000	0	0	0
RKE0001	0	1,667	0	-1,667
Kirkley Maintenance	54,305	9,521	0	-9,521
RLE0001	0	38,844	0	-38,844
Michael Paul - Kirton Drain Adoption RMP0001	9,370	0	0	0
SCC Gosbeck RGOS001	0	0	0	0
RSPS001	-11	0	0	0
RST0003	13,446	182	0	-182
RSU0001	0	5,615	0	-5,615
RTH0001	0	578,540	0	-578,540
RUD0004	0	4,781	0	-4,781
RVCS001	2,276	0	0	0
Waveney District Council RWV0007 - re Lowestoft Barriers	42,287	39,448	0	-39,448
Norfolk Rivers IDB Recharge	954	228	0	-228
Broads (2006) IDB Recharge	4,081	0	0	0
Waveney Lower Yare & Lothingland	0	5,661	0	-5,661
WEG Kingsfleet (SCC)	132,260	10,239	0	-10,239
WMA Recharge	238	169	0	-169
	662,078	1,093,007	0	-1,093,007
	662,078	1,147,658	0	-1,147,658

From: 01 April 2021
 To: 31 March 2022

Period: 12
 Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

12 DEVELOPMENT EXPENDITURE

	2020/21 Actual (£)	2021/22 Actual (£)
Other Expenditure	0	0
	<u>0</u>	<u>0</u>

13 TANGIBLE FIXED ASSETS

	Estuary Walls	Land and Buildings	Total
Cost			
Opening Balance as at 1-4-2021	769,995	255,334	1,025,329
(+) Additions	0	0	0
(-) Disposals	0	0	0
Closing Balance as at 31-3-2022	<u>769,995</u>	<u>255,334</u>	<u>1,025,329</u>
Depreciation			
Opening Balance as at 1-4-2021	387,485	168,590	556,075
(+) Depreciation Charge for year	72,112	20,461	92,573
(+) Cash Payment Received From Alde and Ore Estuary Trust	0	0	0
(-) Accumulated depreciation written out on disposal	0	0	0
Closing Balance as at 31-3-2022	<u>459,597</u>	<u>189,052</u>	<u>648,649</u>
Net Book Value at 31-03-2021	382,510	86,744	469,254
Net Book Value at 31-3-2022	310,398	66,282	376,681

- (i) Full details of all Assets are recorded in the Board's Fixed Asset Register, which can be made available to the reader upon request. The Board also shares ownership of a proportion of the WMA's Shared Fixed Assets, which were last valued by Cruso & Wilkin, Chartered Surveyors as at 31 March 2018. Such assets have a Net Book Value of zero.
- (ii) It should be noted that only 3 of the Board's 10 Pumping Stations have a net book value of greater than zero. If all 10 of the Board's Pumping Stations were revalued and capitalised it would lead to a significant impairment charge being made to the Lower Alde Sub District.

14 CASH AT BANK AND IN HAND

	2020/21	2021/22
Opening Balance as at 1-4-2021 b/fwd	172,240	470,816
(+) Receipts	3,937,986	4,580,577
(-) Payments	<u>-3,639,409</u>	<u>-4,706,084</u>
(=) Closing Balance as at 31-3-2022 c/fwd	470,816	345,309
Balance on Statement as at 31-3-2022	223,297	369,584
(-) Less: Unpresented Payments	-30,454	-74,363
(+) Add: Unpresented Receipts	<u>25,000</u>	<u>50,088</u>
(=) Closing Balance as at 31-3-2022 c/fwd	217,843	345,309

15 SHORT TERM INVESTMENTS

Short term Investments as at 31-3-2022 are as follows:

Financial Institution	Capital	Investment Date	Maturity Date	Variable Interest Rate
Newcastle Building Society	500,000	26/11/2021	26/05/2022	0.20%
Principality Building Society	500,000	29/12/2021	29/06/2022	0.22%
West Bromwich Building Society	500,000	06/01/2022	06/07/2022	0.33%
National Counties Building Society	500,000	25/02/2022	26/08/2022	0.80%
Saffron Building Society	500,000	01/03/2022	01/09/2022	0.75%
Progressive Building Society	500,000	29/03/2022	29/09/2022	0.90%
Vernon Building Society	500,000	14/04/2022	16/01/2023	0.95%
	<u>3,500,000</u>			

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

16 DEBTORS AND PREPAYMENTS

Work In Progress:	2020/21	2021/22
RAL0004	5,709	0
RAOET003	10,126	2,527
RESC0001	4,969	0
RIK0001	26,353	0
RTH0001	5,634	0
RWEGKF001	9,546	0
	62,336	2,527

Debtors

Trade Debtors	98	135,811
---------------	----	---------

	Number of Debtors	Amount
<=30 days	2	135,811
> 30 days and <= 60 days	0	0
> 60 days and <= 90 days	0	0
> 90 days	0	0
	2	135,811

Other Debtors

Drainage Rates and Special Levies Due	2,503	1,598
H M Revenue and Customs	0	12,183
Amounts owed from/(to) WMA	444	23,701
Grants Due	0	0
	65,381	175,820

17 CREDITORS AND RECEIPTS IN ADVANCE

	2020/21	2021/22
Trade Creditors	109,660	30,088
H M Revenue and Customs	12,892	0
Accruals (Pump Attendance: £12k, Development £2.4k, BAP £2.5k)	21,755	17,392
Accruals (Rechargeable Works Costs)	103,571	141,882
Accruals (Electricity)	0	20,300
Rates Received In Advance	11,891	17,831
Payments received in advance/Other	7,500	0
Payments received in advance (AOET: Grant 2 incl Final Payment, Rechargeable Works.)	9,645	3,937
Payments received in advance (WFDG: Waldringfield)	12,832	12,832
Payments received in advance (Special Levies)	118,873	125,533
	408,619	369,795

18 LOANS OUTSTANDING

	2020/21	2021/22
Loans Payable in next 12 months	90,535	93,423
Loans Payable in more than 12 months	2,796,916	2,703,493
	2,887,451	2,796,916

One of the Board's predecessors (Lower Alde IDB) took out 4 loans to refurbish the following pumping stations in 2005:

Butley, Chillesford and Gedgrave pumping stations. The cost of servicing these loans is charged directly to the Lower Alde (Tidal Pumped) Sub District. The Interest rates on these loans vary from 4.70% to 5.15%.

In 2017 the Board took out a loan of £3m at a fixed rate of interest of 2.74% repayable over 30 years, to part fund estuary wall reinstatement work in the Alde-Ore Estuary. The estuary walls protect this area of the drainage district.

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

NOTE NOTES TO THE ACCOUNTS

19 RESERVES

	Development Reserves	General Reserves	Capital Reserves	Total Reserves
Opening Balances as at 1-4-2021	77,645	169,510	661,534	908,689
Net Surplus/(Deficit) for the year	0	-46,076	0	-46,076
Transfers to/(from) Reserves	0	48,166	-48,166	0
Closing Balances as at 31-3-2022	77,645	171,599	613,368	862,613

- (i) Please note the Statement of Movement on Reserves, which shows the movements and balances of the General and Capital Reserves for each of the Board's Sub Districts.
- (ii) The Board is a member of the Water Management Alliance Consortium and as such also has a proportion of the pension liability for the shared staff that are employed by King's Lynn IDB, t/a the Water Management Alliance. The Fund Actuary for Norfolk County Council has prepared a separate Report for the Water Management Alliance, which identifies a notional net pension liability of £4,272,000 as at 31 March 2022 that is shared by all 6 Member Boards. However Waveney Lower Yare and Lothingland IDB's liability is capped at £5,000 until 31st March 2022. The Board's share of this pension liability is set out every year in the WMAs Basis of Apportionment, which was approved by the Board on 31 January 2022.

20 GRANTS RESERVE

Opening Balances as at 1-4-2021	£50,692
Add: Grant Received during the year	£345,000
Less: Grant Applied	-£27,207
	£368,485
Add: Grant Due	£0
Closing Balances as at 31-3-2022	£368,485

21 RELATED PARTY DISCLOSURES

- (i) The following Board members have performed pump attendance duties at the Board's pumping stations during the year, for which they have claimed/will claim the following payments:
- | | |
|-----------------------------------|-----------------|
| Mr R Mann (Iken Hall Farms) | £680 Iken |
| Mr C J Mann (Mann Farms Ltd) | £1,000 Bawdsey |
| Sir E Greenwell (Greenwell Farms) | £1,050 Gedgrave |
| | £2,730 |
- (ii) The following Works Committee members have performed pump attendance duties at the Board's pumping stations during the year, for which they have claimed/will claim the following payments:
- | | |
|---|--------------------|
| Major J Greenwell (Capel St Andrew Farms) | £1,000 Butley |
| Mr R Skepper (Ferry Farm Co) | £1,200 Sudbourne |
| Mr G Watson (Chillesford Lodge Estate) | £1,150 Chillesford |
| Mr M Hollingsworth | £1,000 Falkenham |
| | £4,350 |
- (iii) All elected members of the Board pay Drainage Rates either as Individuals, Partners in Partnerships, or as Directors of limited companies; the exact nature of which can be found in the Rate Book as at 1 April 2021.
- (iv) The Board is a member of the Water Management Alliance Consortium, who provide administrative and technical support services to the Board. The Board has 3 representatives who serve on the Consortium Management Committee, which include the Chairman, and the Board Members Sir Edward Greenwell and Mr M Paul.
- (v) The Board uses Rating Software for the collection of Drainage Rates known as DRS. This software is owned by South Holland IDB and was developed by Mr P J Camamile, the Chief Executive. The software is supported at no cost to the Board by Byzantine Ltd. Mr P J Camamile is the Company Secretary of Byzantine Ltd and his wife Mrs P Camamile is a Director. Both are shareholders.

Recommended Actions:

1. To approve the Financial Report for the period ending 31-3-2022.

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

From: 01 April 2021 Period: 12
To: 31 March 2022 Year Ending: 31 March 2022

Asset ID	Fixed Asset Register	Purchased/ Revalued	Depreciation Period (Years)	Responsible Officer	Capital Cost B/Fwd	Revaluations	Additions	Impairment	Disposals	Capital Cost C/Fwd	Depreciation B/Fwd	Depreciation	Cash Payment R'cvd From AOET	Acc.dprn w/out on disposal	Depreciation Profit/(Loss) C/Fwd on disposal	Net Book Value
<u>SD1: River Deben (Tidal Pumped) Sub District</u>																
PS06	Bawdsey	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PS07	Falkenham	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PS08	Kings Fleet	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>SD2: Lower Alde (Tidal Pumped) Sub District</u>																
PS01	Butley	31/03/2012	16	G Bloomfield	85,111.38	0.00	0.00	0.00	0.00	85,111.38	56,196.80	6,820.48	0.00	0.00	63,017.28	22,094.10
PS02	Chillesford	31/03/2012	16	G Bloomfield	85,111.38	0.00	0.00	0.00	0.00	85,111.38	56,196.80	6,820.48	0.00	0.00	63,017.28	22,094.10
PS03	Gedgrave	31/03/2012	16	G Bloomfield	85,111.38	0.00	0.00	0.00	0.00	85,111.38	56,196.80	6,820.48	0.00	0.00	63,017.28	22,094.10
PS04	Iken	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PS05	Sudbourne	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
					255,334.14	0.00	0.00	0.00	0.00	255,334.14	168,590.40	20,461.44	0.00	0.00	189,051.84	66,282.30
<u>SD3: AHB (Tidal Pumped) Sub District</u>																
PS09	Reydon Marsh	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>SD4: Blyth (Tidal Pumped) Sub District</u>																
PS10	Hollesley, Colony Marsh	31/03/2012	16	G Bloomfield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pumping Stations			16		£255,334.14	£0.00	£0.00	£0.00	£0.00	£255,334.14	£168,590.40	£20,461.44	£0.00	£0.00	£189,051.84	£66,282.30
<u>Estuary Wall Reinstatement Works: Alde-Ore</u>																
SD01	Aldeburgh Sea Defences	31/03/2018	30	G Bloomfield	769,995.20	0.00	0.00	0.00	0.00	769,995.20	387,484.77	72,112.00	0.00	0.00	459,596.77	310,398.43
Estuary Wall Reinstatement Works					769,995.20	0.00	0.00	0.00	0.00	769,995.20	387,484.77	72,112.00	0.00	0.00	459,596.77	310,398.43
Shared Consortium Ass					£363.00	£0.00	£0.00	£0.00	£0.00	£363.00	£363.00	£0.00	£0.00	£0.00	£363.00	£0.00
Fixed Assets					£1,025,692.34	£0.00	£0.00	£0.00	£0.00	£1,025,692.34	£556,438.17	£92,573.44	£0.00	£0.00	£649,011.61	£376,680.73

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2022		ACTUAL 2020/21 £	ACTUAL 2021/22 £
1	Balances brought forward		
	General Reserves	106,122	169,510
	Development Reserve	77,645	77,645
	Grants Reserve	55,834	50,692
	Capital Reserves	814,997	661,534
	As per Statement of Accounts	1,054,598	959,382
	(-) Fixed Assets, Long Term Liabilities and Loans		
	Loans Payable in less than 12 months	-87,741	-90,535
	Long Term Liabilities	-2,887,451	-2,796,916
	Net Book Value of Tangible Fixed Assets	659,891	469,254
		-2,315,301	-2,418,197
	(=) Adjusted Balances brought forward	3,369,899	3,377,579
2	(+) Rates and Special Levies		
	Drainage Rates	279,826	285,424
	Special Levies issued by the Board	195,555	199,472
	As per Statement of Accounts	475,381	484,896
3	(+) All Other Income		
	Grants Applied	5,142	27,207
	Highland Water Contributions	90,747	118,779
	Other Income	272,113	240,982
	Income from Alde and Ore Trust	100,000	0
	Income from Rechargeable Works	695,069	1,110,062
	As per Statement of Accounts	1,163,071	1,497,030
	(+) Grants Applied to Grants Received Conversion		
	(-) Grants Applied	-5,142	-27,207
	(+) Grants Received	0	345,000
		-5,142	317,793
	(=) Adjusted Other Income	1,157,929	1,814,823
4	(-) Staff Costs		
	Shared Technical Support Staff Costs	244,751	210,367
	Shared Administration Staff Costs	118,518	129,533
		363,269	339,900
5	(-) Loan Interest/Capital Repayments		
	Loan Interest	83,804	81,010
	Capital Repayments	87,741	90,535
	As per Statement of Accounts	171,545	171,545

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2022		ACTUAL 2020/21 £	ACTUAL 2021/22 £
6	(-) All Other Expenditure		
	Capital Works	5,142	27,207
	Maintenance Works	706,708	584,955
	Environment Agency Precept	91,567	93,398
	Administration Charges	163,030	174,784
	Development Expenditure	0	0
	Cost of Rechargeable Works	662,078	1,147,658
	As per Statement of Accounts	1,628,525	2,028,003
	(-) Loan Interest shown separately	83,804	81,010
	(-) Depreciation charged to Maintenance Works	90,637	92,573
	(-) Staff Costs now recorded in Box 4	363,269	339,900
	(+) Capitalised Additions		
	Land and Buildings	0	0
	Plant and Equipment	0	0
		0	0
	(=) Adjusted Other Expenditure	1,090,816	1,514,519
7	(=) Balances carried forward		
	General Reserves	169,511	171,599
	Development Reserve	77,645.05	77,645
	Grants Reserve	50,692	368,485
	Capital Reserves	661,534	613,368
	As per Statement of Accounts	959,382	1,231,098
	(-) Fixed Assets, Long Term Liabilities and Loans		
	Loans Payable in less than 12 months	-90,535	-93,423
	Long Term Borrowing	-2,796,916	-2,703,493
	Net Book Value of Tangible Fixed Assets	469,254	376,681
		-2,418,197	-2,420,235
	(=) Adjusted Balances carried forward	3,377,579	3,651,334
8	Total Cash and Short Term Investments		
	Cash at Bank and in Hand	470,816	345,309
	Short term Investments	3,250,000	3,500,000
	As per Statement of Accounts	3,720,816	3,845,309
9	Total Fixed Assets and Long Term Assets		
	Land and Buildings (valued at Purchase Cost)	255,334	255,334
	Alde Ore Estuary Walls (valued at Purchase Cost)	769,995	769,995
	Shared Consortium Assets (valued at Net Book Value)	0	0
	As per Statement of Accounts	1,025,329	1,025,329
10	Total Borrowings		
	Loans Due (<= 1 Year)	90,535	93,423
	Loans Due (> 1 Year)	2,796,916	2,703,493
	As per Statement of Accounts	2,887,451	2,796,916

From: 01 April 2021
To: 31 March 2022

Period: 12
Year Ending: 31 March 2022

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2022	ACTUAL 2020/21 £	ACTUAL 2021/22 £
---	------------------------	------------------------

7, 8 RECONCILIATION BETWEEN BOXES 7 AND 8	ACTUAL 2020/21 £	ACTUAL 2021/22 £
---	------------------------	------------------------

7	Balances carried forward (adjusted)	3,377,579	3,651,334
----------	--	------------------	------------------

(-) Deduct: Debtors and Prepayments

Trade Debtors	98	135,811
Work in Progress	62,336	2,527
Drainage Rate Debtors	2,503	1,598
H M Revenue and Customs	0	12,183
Amounts owed from/(to) WMA	444	23,701
	65,381	175,820

(+) Add: Creditors and Payments Received in Advance (<= 1 Year)

Trade Creditors	109,660	30,088
H M Revenue and Customs	12,892	0
Accruals	125,326	159,274
Payments received in advance (Drainage Rates)	11,891	17,831
Payments received in advance (Thorpeness Cliff Erosion)	7,500	0
Accruals (Electricity)	0	20,300
Payments received in advance (AOET: Rechargeable Works)	9,645	3,937
Payments received in advance (WFDG)	12,832	12,832
Payments received in advance (Special Levy: Babergh D.C.)	118,873	125,533
	408,619	369,795

(=) Box 8	3,720,816	3,845,309
------------------	------------------	------------------

8 (=) Total Cash and Short Term Investments

Cash at Bank and in Hand	470,816	345,309
Short term Investments	3,250,000	3,500,000
	3,720,816	3,845,309

S JEFFREY BSc (Hons) FCCA
FINANCE & RATING MANAGER

13 JUNE 2022

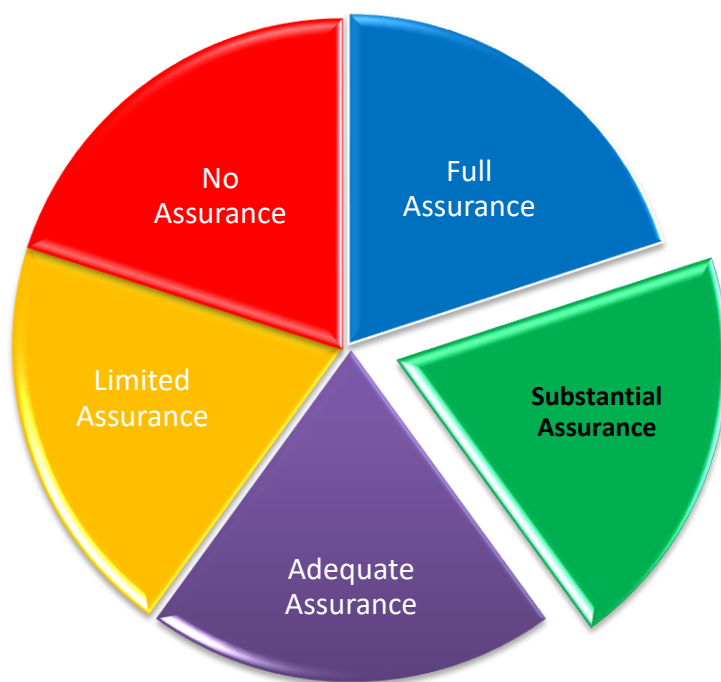


INTERNAL AUDIT REPORT

WATER MANAGEMENT ALLIANCE

REVIEW OF EFFECTIVENESS OF SYSTEM OF INTERNAL CONTROL 2021/22

19th April 2022



Internal Audit Service

This audit has been conducted in accordance with the Accounts & Audit Regulations and our Audit Charter, and complies with the Public Sector Internal Audit Standards. It should be noted that the assurances provided here can never be absolute, and therefore only reasonable assurance can be provided if there are no major weaknesses in control subject to Internal Audit review (at the time of testing).

The co-operation and assistance of all staff involved is greatly appreciated. This review was conducted by Kathy Woodward to whom any query concerning the content of this report should be made to kwoodward@fenland.gov.uk

The Executive Summary sets out the results of the work carried out and our overall conclusion on the system reviewed, and summarises the key recommendations arising.

Consultation

Draft report issued	19/04/2022
Management agreement received	19/04/2022
Final report issued	19/04/2022

Contents

Section	Page
1. Executive Summary	3
2. Objective & Scope	4
3. Background Information	5
4. Our Opinion	6
5. Reporting	7
6. Acknowledgements	7
Appendices	
Appendix A – Findings, Risks, Recommendations and Action Plan	
Appendix B – Assurance Opinion and Recommendation Priority Definitions	

Executive Summary

Our Assurance Opinion: SUBSTANTIAL								
No. of Assurances Over Control Areas Reviewed					No. of Recommendations & Priorities			
Full	Substantial	Limited	No	Total	High	Medium	Low	Total
3	9	0	0	12	0	0	3	3

Overall Objective and System Background

The overall objective of the audit was to ensure the effectiveness of the system of internal control operating within the Water Management Alliance (WMA).

The WMA is a group of Internal Drainage Boards (IDBs) who share the same vision, values and standards and have chosen to jointly administer their affairs in order to reduce costs, strengthen their own organisations and increase influence at a national and local level. Each IDB is responsible for providing flood protection and maintaining the drainage and water level management infrastructure within their respective area.

The WMA provides administrative and management support services to six constituent IDB Member Boards, namely Broads, King's Lynn, East Suffolk, Norfolk Rivers, South Holland, and Waveney, Lowe Yare and Lothingland and also provide support services to the Pevensey & Cuckmere Water Level Management Board. The Waveney, Lower Yare & Lothingland IDB joined the WMA on 1st April 2020; however, the WMA did not start providing support services to them until 1st April 2021.

Summary of Key Control Issues and Risks

Based upon the work carried out, Substantial Assurance can be given regarding the effectiveness of the system of internal control operating within the WMA. There are few minor weaknesses identified within the Creditors and Bank Reconciliation areas that require review.

- Instances were identified where payment runs are not authorised as per the financial regulations on either the suggested payments report or the authorisation report.
- There are instances on the Broads IDB bank reconciliation where reconciliations take place for part days, meaning that one full day can have two separate reconciliations. There is a risk that transactions could be missed and is not following standard operating procedure.

A general recommendation has been included regarding improvements that could be made to increase the audit trail of the finance transactions and authorisation procedures, to increase efficiency and to go paperless, thus increasing the efficiency, flexibility and agility of the team.

Summary of Key Recommendations

The key recommendations arising from the audit are:

- Ensure all payment runs have been appropriately authorised.

Internal Audit advice would be that this could be done by the Finance and Rating Manager or the Chief Executive, so long as appropriate segregation of duties is in place.

- Ensure all reconciliations are undertaken up to the end of the previous day, to ensure each complete day is recorded in one reconciliation and corresponds to the bank statements.
- Review current practices to see where efficiencies can be made in going paperless and explore the finance system capabilities for more efficient and robust electronic authorisations.

2. Objective & Scope

2.1 The overall objective of the audit was to ensure the effectiveness of the system of internal control operating within the Water Management Alliance (WMA).

2.2 The audit involved the following:

- Creditors – sample testing of purchase orders and invoice payments for appropriate authorisation in accordance with Financial Regulations.
- Risk Management - reviewing Board minutes for evidence of review of Risk Register at regular intervals; reviewing each Board's Risk Register for expected and relevant risks.
- Budgetary Control – reviewing Board minutes for evidence that budgets for the year ahead are set and that monitoring reports are presented to the Board on a regular basis with analysis of any variations. Checking that financial reporting to Boards is in accordance with Financial Regulations.
- Reserve's Policy – reviewing each Board's Reserves Policy for adequacy and assessing whether each Board's reserves are appropriate.
- Income – reviewing the system for the receipt and banking of income; test checking a sample of income receipts for evidence of prompt and correct banking, and that VAT is accounted for correctly.
- Petty Cash – reviewing the petty cash system and the appropriateness of payments made out of petty cash for appropriateness.
- Payroll – sample testing of payroll records for correct authorisation of timesheets and correct application of PAYE/NIC deductions.
- Assets & Investments – reviewing the process for monitoring and reporting investments and assets, ascertaining each Board's current investments and where they are held. Tracing a sample of investments back to source documents for appropriate authorisation. Reviewing the process for the monitoring and reporting of cash flow, ensuring that cash flows are maintained at an appropriate level.
- Cashbook & Bank Reconciliations – sample testing of the reconciliation of each Board's cashbook to their bank statements, checking that any discrepancies are identified, investigated and explained, and that corrective action is taken. Checking that all bank accounts have remained in credit throughout the whole year.
- Year End Procedures – checking that accounting statements prepared during the year were prepared using the correct accounting basis.
- Transparency – checking that the Board published information on a website that complies with the relevant Transparency code.

- Exercise of Public Rights – checking that the authority has provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations and complied with the publication requirements for the prior year AGAR.
- 2.3 Recommendations arising from the previous year’s audit were followed-up to ensure their implementation by management.
- 2.4 The audit review was undertaken in liaison with the Finance & Rating Manager and consisted of discussions relating to the operation of the internal control processes, review of relevant documentation and sample testing of specific transactions.
- 2.5 Due regard was taken of the guidance issued in March 2021 by the Joint Practitioners’ Advisory Group (JPAG), “Governance and Accountability for Smaller Authorities in England – A Practitioners Guide to proper practices to be applied in the preparation of statutory annual accounts and governance statements (March 2021)” and “Good Governance for IDB Members” published by the Association of Drainage Authorities (ADA) in November 2018.
- 2.6 Following completion of the audit, Internal Audit completed section 4 of the Electronic Annual Governance and Accountability Return for 2021/22 for each of the six Boards.
- 2.7 The review was undertaken during March and April 2022.

3. Background Information

- 3.1 The WMA is a group of Internal Drainage Boards (IDBs) who share the same vision, values and standards and have chosen to jointly administer their affairs in order to reduce costs, strengthen their own organisations and increase influence at a national and local level. Each IDB is responsible for providing flood protection and maintaining the drainage and water level management infrastructure within their respective area.
- 3.2 The WMA provides administrative and management support services to the six constituent IDB Member Boards, namely Broads, King’s Lynn, East Suffolk, Norfolk Rivers, South Holland and Waveney, Lower Yare and Lothingland. The WMA also provide support services to the Pevensey & Cuckmere Water Level Management Board. The Waveney, Lower Yare & Lothingland IDB joined the WMA on 1st April 2020; however, the WMA did not start providing support services to them until 1st April 2021.
- 3.3 As a service provider, the WMA makes available shared administrative and support services to its Member Boards, which allows each Board to concentrate on delivery within their Drainage Districts. All back-office functions are handled by the WMA enabling each Board to use their resources to support the public and provide quality frontline services.

4. Our Opinion

- 4.1 On the basis of the work undertaken, management can be provided with an overall opinion of “Substantial Assurance” regarding the effectiveness of the system of internal control operating within the WMA.

OVERALL INTERNAL AUDIT OPINION: <i>SUBSTANTIAL ASSURANCE</i>	
Control Objectives	Assurance Opinion
1. Creditors - To ensure that all orders have been raised and payments processed in accordance with Financial Regulations.	Substantial
2. Risk Management – To ensure that the authority has assessed the significant risks to achieving its objectives and has reviewed the adequacy of the arrangements to manage these.	Substantial
3. Budgetary Control - To ensure that robust controls exists regarding the budget setting and monitoring process, and that budgets are set for the year ahead and are monitored throughout the year, with any variances identified and explained adequately.	Substantial
4. Reserve’s Policy - To ensure that each Board has a Reserves Policy in place relating to capital financing and reserves, and that reserves are appropriate.	Full
5. Income – To ensure that expected income is fully received, based on correct prices, properly recorded and promptly banked, and that VAT is appropriately accounted for.	Substantial
6. Petty Cash - To ensure that petty cash provisions are reasonable, used in accordance with Financial Regulations and that adequate records are kept of payments made.	Substantial
7. Payroll - To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC have been paid over correctly.	Substantial
8. Assets & Investments - To ensure that investments and assets are properly recorded, that reimbursements and interest are received promptly and in full, and that cash flows are maintained at an adequate level.	Substantial
9. Cashbook & Bank Reconciliations - To ensure that regular monthly reconciliations are carried out by a responsible officer and that this is evidenced. To ensure that any discrepancies are investigated and explained, and that corrective action is taken where necessary.	Substantial
10. Year End Procedures – To ensure that accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cashbook, supported by an adequate audit trail and, where appropriate, debtors and creditors were properly recorded.	Substantial
11. Transparency -To ensure that information published on the website complies with the relevant Transparency code.	Full

12. Publications – To ensure that the period for the exercise of public rights as required by the Accounts and Audit regulations has been provided for and that publication requirements for the prior year AGAR has been complied with.	Full
---	-------------

- 4.2 The detailed findings and recommendations arising from the review are attached as Appendix A, incorporating the agreed management actions.
- 4.3 A total of five recommendations were made arising from last year's review; as part of this current year's audit these were followed-up to ensure that they had been implemented by management. The results of the follow-up are attached as Appendix B. Of the five recommendations, all have been actioned.
- 4.4 Significant improvements have been made since the last audit on the control environment, with increased resources in the team and improved processes for ensuring accuracy and control.
- 4.5 Appendix C provides definitions of the Internal Audit assurance opinions given in the report and of the recommendation priorities.
- 4.6 The Terms of Reference for the review are attached as Appendix D.

5. Reporting

- 5.1 A copy of the final report will be sent to the Finance and Rating Manager and to the Chief Executive of the WMA.

6. Acknowledgements

- 6.1 Internal Audit would like to express our thanks to the following for their assistance during the course of the audit:
- Sallyanne Jeffrey, Finance & Rating Manager/RFO
 - Phil Camamile, Chief Executive
 - Lisa Manning, Senior Finance & Rating Officer
 - Amy Taylor, Finance & Rating Officer
 - Alex Burton, Finance and Rating-Officer
 - Agi Escovia, Senior Finance and Rating-Officer
 - Graham Tinkler, Rating/Enforcement Officer
- 6.2 I would like to congratulate you on significant improvements over previous years audits. The changes that have been implemented, along with increasing the resourcing capacity has had

a marked impact on the results of the audit and the finance and rating team should be congratulated on their achievements.

Findings, Risks, Recommendations and Management Action Plan

Control Objective 1: Creditors – To ensure that all orders have been raised and payments processed in accordance with Financial Regulations. (AGAR B)

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
1.	<p><u>Finding</u></p> <p>All suggested payment reports and authorisation reports for the whole year were checked for appropriate authorisation. The process requires at least one of these reports to be initialled or authorised by PC. Three instances were identified where neither report had been authorised before payments were made.</p> <p>Kings Lynn – 31/05/2021 South Holland – 31/05/2021 Norfolk Rivers – 31/07/2021</p> <p>It was explained by the Finance and Rating Manager that this was likely a result of staff members working from home and authorisations obtained via email, but not attached to the file.</p> <p><u>Risk</u></p> <p>Risk that unauthorised payments could be made and not made in accordance with Financial Regulations.</p>	<p>Ensure all payment runs have been appropriately authorised. Internal Audit advice would be that this could be done by the Finance and Rating Manager or the Chief Executive, so long as appropriate segregation of duties is in place.</p>	Low	<p>These payment runs were processed by the Finance and Rating Officer that was required to isolate due to being classed as Clinically Extremely Vulnerable, and working from home.</p> <p>The Finance and Rating Manager will now approve these moving forward from 01st April 2022 (the Chief Executive will sign in her absence)</p>	<p>Sallyanne Jeffrey/All Finance and Rating Team</p> <p>April 2022</p>

Follow-up of Previous Report's Recommendations

Control Objective 9: Cashbook and Bank Reconciliation - To ensure that regular monthly reconciliations are carried out by a responsible officer, that this is evidenced, and that any discrepancies are investigated and explained, and corrective action is taken where necessary.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
2.	<p><u>Finding</u> For the Broads IDB bank reconciliation all of the transactions are reconciled, however a number of reconciliations are undertaken in 'part' days so some transactions will go into one rec and others into the next rec. This creates the illusion that the bank statements are showing incorrect balances.</p> <p><u>Risk</u> Risk that transactions could be missed or duplicated. This could create an issue for business continuity in the event of absences and unnecessary inefficient backtracking to ensure the reconciliations are complete and up to date.</p>	Recommendation - ensure all reconciliations are undertaken up to the end of the previous day, to ensure each complete day is recorded in one reconciliation and corresponds to the bank statements.	Low	Although the bank reconciliations were part complete, we would like to clarify no mistakes or errors were found within any of the Bank reconciliations performed. It could be argued that the Officer was being overly efficient and proactive. We have agreed to complete only full day reconciliations moving forward so the audit trail is clearer.	Finance and Rating Team April 2022

Follow-up of Previous Report's Recommendations

General Observation – Improvements and Best Practice

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date
3.	<p><u>Finding</u></p> <p>Following on from the Covid 19 pandemic, significant strides have been made in digital efficiencies to enable the workforce to work in a more flexible and agile manner. There is still a lot more that could be achieved to reduce reliance upon paper audit trails, resulting in benefits such as more efficient working practices, cost savings through reduced storage and enabling electronic authorisation through the finance system, increasing the audit trail. With the impending move to new offices, this would be an ideal time to create a paperless strategy and plan for the finance team.</p>	<p>Review current practices to see where efficiencies can be made in reducing reliance upon paper audit trails and explore the finance system capabilities for more efficient and robust electronic authorisations.</p> <p>Additional support could be sought from the internal auditor to provide advice and guidance if required on implementation on electronic procure to pay and authorisation structures.</p>	Low	<p>The Finance and Rating Team have reduced printing within 2021/22 by saving more on the server, and reducing reliance on paper files, where possible.</p> <p>We have agreed to save down the monthly Financial Reporting pack onto the server from 01st April 2022. This will save significant amounts of paper.</p> <p>Moving forwards the Finance and Rating Manager will look at a strategy to move towards a more paperless way of working. The Bedford Group of IDBs is currently trialling a system that is moving towards a paperless system, so we can benefit from their experience and visit to see how their system works, and how we can utilise this best for our Consortium.</p>	<p>Finance and Rating Manager</p> <p>April 2022 (Month End Financial Reporting Packs)</p> <p>April 2024</p>

Follow-up of Previous Report's Recommendations

Control Objective 2: Risk Management – To ensure that the organisation has assessed the significant risks to achieving its objectives and has reviewed the adequacy of the arrangements to manage these.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Actions
1.	<p><u>Finding</u> Board minutes do not routinely state that material changes to the risk register for those risks scored 6 or above have been considered and approved by the Board at each meeting, or that the full risk register was considered and approved each year.</p> <p><u>Risk</u> Risk that significant risks to the achievement of the organisation's objectives are not identified and assessed.</p>	As required by each Board agenda, Board minutes should clearly state that any material changes to the risk register have been "considered and approved" by the Board. Similarly, when the full risk register is reviewed annually by the Board, the minutes should state that the full risk register was "considered and approved".	Medium	The reality is that the Risk Register is always "considered in detail and approved" at every Board meeting. The issue is that this is not always accurately recorded in the minutes. Of the 24 Board meetings that took place during 2020/21, the minutes of 6 of those meetings did not include the word "approved". The CEOs PA will check the minutes more closely in future.	CEOs PA 30th June 2021	All Board minutes have been checked for the risk register items and now contain the correct description of 'approved' in the minutes.
2.	<p><u>Finding</u> The King's Lynn Risk Register is dated 29/11/19, although there is evidence from the Board minutes from 13/11/20 and 15/01/21 of the Board considering and approving the Risk Register.</p> <p><u>Risk</u> Risk that the Risk Register is not current and that new risks are not identified.</p>	The date stated on the King's Lynn Risk Register should be amended to record the date of the most recent approval of the register by the Board.	Low	The Risk Register is always current and includes all new risks identified. The issue is that the date that appears in the page footer is not always updated every time the Risk Register is updated. The CEOs PA will check that this date is always updated when the Risk Registers are updated, moving forward.	CEOs PA 30th June 2021	All risk registers have been checked and the updated date now coincides with the appropriate Board meeting.

Follow-up of Previous Report's Recommendations

Control Objective 7: Payroll – To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC has been accounted for correctly.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Actions
3.	<p><u>Finding</u></p> <p>Payrolls for King's Lynn, Norfolk Rivers, South Holland and Broads IDB, and for WMA, for July 2020 and January 2021, were checked to ensure that:</p> <ul style="list-style-type: none"> • BACS Submission Details report had been initialled by CEO; • Update Records Check Report payroll totals for each employee agreed to their payslip; • Payslip details agreed to timesheet or expenses sheet; • Timesheet or expenses sheet signed by employee; • Timesheet or expenses sheet authorised by the appropriate officer. <p>Testing proved satisfactory with the exception of two employees whose expenses payments had been underpaid and two employees who had not been reimbursed for their expenses claims:</p> <ul style="list-style-type: none"> • One SHIDB employee claimed for 10 callouts in December 2020. They should have been paid £75.00 for each callout (as per their contract) and as claimed for on their timesheet/expenses form; however, in the January 2021 payroll they were paid £49.20 for each one; therefore, they were paid a total of £492.00 instead of £750.00. 	The two employees whose expenses payments had been underpaid and the two whose expenses payments had been missed should be reimbursed correctly in the May 2021 payroll.	Medium	The two employees whose expenses payments had been underpaid and the two whose expenses payments had been missed should be reimbursed correctly in the May 2021 payroll.	The two employees whose expenses payments had been underpaid and the two whose expenses payments had been missed should be reimbursed correctly in the May 2021 payroll.	<p>Corrections actioned in May 2021 payroll.</p> <p>Additional processes have been introduced for the payroll processing, which has resulted in fewer errors and none identified during the audit for 2021/22.</p>

Follow-up of Previous Report's Recommendations

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Actions
3.	<ul style="list-style-type: none"> • A NRIDB employee claimed a total of 264 miles in week 17 but was only paid for 147 miles in the July 2020 payroll. The employee uses a computerised timesheet/expenses form which is updated each month. The figure of 264 miles was entered on the expenses claim for week 17, and authorised, but the total from the previous week (147 miles) was inadvertently left on the form in the "for office use only" section; therefore, they were paid 147 miles rather than the correct figure of 264. • One Broads IDB employee claimed 188 miles in week 42 but had not received payment. • A WMA employee claimed 96 passenger miles in December 2020 for which they were not paid. <p>The two underpayments and the two missed payments were discussed with the Finance & Rating Manager who agreed to include them in the May 2021 payroll (as the April payroll had already been run).</p> <p>The Finance & Rating Manager assured Internal Audit that additional processes have been put in place to increase the accuracy of the payroll processing. She is going to place all of the Finance team on a payroll course when available to increase their skill set.</p>		Medium			

Follow-up of Previous Report's Recommendations

Control Objective 7: Payroll – To ensure that salaries have been paid correctly and in a timely manner, and that PAYE/NIC has been accounted for correctly.

Rec. no.	Finding / Risk	Recommendation	Priority Rating	Management Response	Responsible Officer and Agreed Due Date	Follow-up of Agreed Actions
4.	<p><u>Finding</u> One SHIDB employee did not complete a timesheet for weeks 41, 42 and 43 when they were on leave. It was established that other SHIDB staff do complete a timesheet when they are on leave; therefore, for consistency, all staff should complete a timesheet when they go on leave. It was agreed with the Finance & Rating Manager that all staff at SHIDB should be required to complete a timesheet and have it authorised prior to them going on leave.</p> <p><u>Risk</u> Risk of staff being paid without submitting a timesheet.</p>	Employees should be required to submit a weekly timesheet when they are on annual leave. Staff should complete their timesheet and have it authorised prior to them going on leave.	Low	Agreed. We will ensure a timesheet is submitted and has been authorised by the appropriate manager for holidays taken prior to payment.	Finance and Rating Manager 31 st May 2021	All staff are completing timesheets for periods of leave and are appropriately authorised.
5.	<p><u>Finding</u> One SHIDB employees timesheet for w/e 05/07/20 was authorised by the Foreman but not by the Operations Manager. Ordinarily, all SHIDB timesheets are authorised by both the Foreman and by the Operations Manager.</p> <p><u>Risk</u> Risk that timesheet/expenses claims are paid without being</p>	Finance Officers should ensure that all timesheets have been appropriately authorised by the IDB's Operations Manager, prior to payment. Any that have not been signed should be returned to the appropriate manager for authorisation.	Medium	Agreed. We will ensure that all timesheets are properly authorised prior to payment.	Finance and Rating Manager 31 st May 2021	All timesheets sampled have been appropriately authorised prior to payment.

Assurance Opinion and Recommendation Priority Definitions

Assurance Opinion

Definition

Full Assurance

In our opinion, there is a **sound** system of internal control that is likely to achieve the system objectives, and which is operating effectively in practice.

Substantial Assurance

In our opinion, there is a sound system of internal control operating, but there are a **few minor weaknesses** which could put the achievement of system objectives at risk.

Adequate Assurance

In our opinion, there is a sound system of internal control operating, but there are **some weaknesses** which could put the achievement of system objectives at risk.

Limited Assurance

In our opinion, there is a system of internal control with a number of weaknesses likely to **undermine** achievement of system objectives, and which is vulnerable to abuse or error.

No Assurance

In our opinion, there is a **fundamentally flawed** system of internal control that is unlikely to achieve system objectives and is vulnerable to serious abuse or error.

Recommendation Priority

Definition

Low

These issues would contribute towards improving the system under review, and are of limited risk. It is expected that corrective action to resolve these will be taken as resources permit.

Medium

A control process that contributes towards providing an adequate system of internal control. It is expected that corrective action to resolve these will be implemented within three to six months.

High

A fundamental control process, or statutory obligation, creating the risk that significant fraud, error or malpractice could go undetected. It is expected that corrective action to resolve these will be commenced immediately.

WATER MANAGEMENT ALLIANCE

**REVIEW OF EFFECTIVENESS OF RISK
MANAGEMENT, CONTROL & GOVERNANCE
PROCESSES**

**INTERNAL AUDIT
TERMS OF REFERENCE
2021-22**

Terms of Reference

1. INTRODUCTION

- 1.1 This document sets out the strategy and plan for the audit of the Water Management Alliance for the financial year 2021--22.
- 1.2 Section 6 of The Accounts and Audit Regulations 2015 states that '*The relevant body must conduct a review at least once in a year of the effectiveness of its system of internal control*'.
- 1.3 Internal Audit is defined as '*an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.*' Public Sector Internal Audit Standards, April 2017
- 1.4 The Internal Auditor will work in accordance with the Public Sector Internal Audit Standards (PSIAS) adopted by CIPFA from April 2017 and thus will be able to provide the review required by the Regulations.
- 1.5 The authority of the Internal Auditor is established in the Financial Regulations.
- 1.6 The audit work will concentrate on records and systems used by the Water Management Alliance, who provide the financial and administrative functions for:
 - Broads (2006) Internal Drainage Board
 - East Suffolk Internal Drainage Board
 - King's Lynn Internal Drainage Board
 - Norfolk Rivers Internal Drainage Board
 - South Holland Internal Drainage Board
 - Waveney, Lower Yare and Lothingland Internal Drainage Board

And to the Pavensey & Cuckmere Water Level Management Board.

As such, this work will enable the auditor to complete the Annual Governance and Accountability Returns for 2021-22 for each of the IDBs.

2. OBJECTIVES AND SCOPE OF THE AUDIT

- 2.1 The work of the Internal Auditor will be guided by the Joint Panel on Accountability & Governance (JPAG) Practitioners' Guide (March 2021).
- 2.2 In order to be able to complete section 4 of the Electronic Annual Governance and Accountability Return for 2021-22, the auditor will consider the following internal control objectives (as stated on the return):
 - A. The Accounting Records
Appropriate accounting records have been properly kept throughout the financial year.
 - B. Financial Regulations and Standing Orders
The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Terms of Reference

- C. Risk Management processes
The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.
 - D. Budgetary Controls
The precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored: and reserves were appropriate.
 - E. Income Controls
Expected Income was fully received, based on correct process, properly recorded and promptly banked: and VAT was appropriately accounted for.
 - F. Petty Cash Procedures
Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.
 - G. Payroll Controls
Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.
 - H. Asset Management
Assets and Investments registers were complete and accurate and properly maintained.
 - I. Bank Reconciliation
Periodic bank account reconciliations were properly carried out during the year.
 - J. Year-end Procedures
Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.
 - L. The authority publishes information on a free to access website/webpage up to date at the time of internal audit in accordance with any relevant transparency code requirements.
 - M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations.
 - N. The authority has complied with the publication requirements for 2020-21 AGAR.
- 2.3 Any recommendations and issues arising from the previous audit will also be followed up to establish if they have been implemented or if there is a satisfactory explanation for non-implementation.
- 2.4 Contained within the scope of work described above it is implied that the auditor will have due regard for Value for Money considerations and the potential for fraud.

Terms of Reference

3. TASKS

3.1 The project tasks are to:

- Establish if the procedures recorded as part of the audit for 2020-21 remain the same and document any changes that may have taken place.
- Perform tests to establish that systems are operating in accordance with the procedures and that good practice is being complied with.
- Assess strengths and weaknesses of the systems operated and the levels of financial and management risk.
- Discuss the results with the Chief Executive and make recommendations as appropriate, which will be communicated to the Boards by means of a report.
- Complete Section 4 of the Electronic Annual Governance and Accountability Return for 2021-22 for each of the IDBs.

4. WORK PLAN

4.1 The audit will be undertaken by Kathy Woodward, Internal Auditor Manager, Fenland District Council.

4.2 The audit has been allocated seven days, which will be utilised as follows:

Task	Time
Confirm existing procedures and record any changes. Undertake a follow-up of actions agreed from the audit report for the year 2020-21.	1
Testing – to establish that processes are being applied as intended.	4.5
Conclusions and discussion.	1
Completing the Return and reporting if required.	0.5

Terms of Reference

5. AGREEMENT

	Signature	Date
Phil Camamile Chief Executive, Water Management Alliance
Kathy Woodward Internal Audit Manager Fenland District Council



**NOTICE OF CONCLUSION OF AUDIT
AND
RIGHT TO INSPECT THE ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN**

Annual Governance and Accountability Return for the year ended 31 March 2022

Sections 20 (2) and 25 of the Local Audit and Accountability Act 2014

Accounts and Audit Regulations 2015 (SI 2015 No 234)

Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404)

Date of Notice: 27 September 2022

Notice

The audit of accounts for the East Suffolk Internal Drainage Board for the year ended 31 March 2022 was concluded on 08 September 2022 by PKF Littlejohn LLP.

Rights

The Annual Governance and Accountability Return, Auditor's Certificate/Report and Statement of Accounts have been published and are available below.

To arrange an inspection and/or copy please contact the Chief Executive between the hours of 9.00 am – 4.00 pm, Monday to Friday.

Documents will remain available for public access for a period of not less than 5 years from the date of this notice.

Pierpoint House
28 Horsley's Fields
King's Lynn
Norfolk
PE30 5DD

P J CAMAMILE
CHIEF EXECUTIVE

Tel: 01553 819600

E-mail: phil@wlma.org.uk

Annual Governance and Accountability Return 2021/22 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2021/22

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2022**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2022**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2022
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2021/22

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2022 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2021/22**, approved and signed, page 4
- **Section 2 - Accounting Statements 2021/22**, approved and signed, page 5

Not later than 30 September 2022 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2021/22

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2022.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2021) equals the balance brought forward in the current year (Box 1 of 2022).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2022**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations been published where required?		
	Has the bank reconciliation as at 31 March 2022 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2021/22

ENTER EAST SUFFOLK IDB RITY

ENTER <https://www.wlma.org.uk/east-suffolk-idb/home/RESS>

During the financial year ended 31 March 2022, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2021/22 has been carried out in accordance with this authority'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 this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2020/21, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2020/21 AGAR tick "not covered")</i>			✓
L. The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with any relevant transparency code requirements	✓		
M. The authority, during the previous year (2020-21) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2020/21 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

07/04/2022 08/04/2022 11/04/2022

Name of person who carried out the internal audit

KATHY WOODWARD INTERNAL AUDITOR

Signature of person who carried out the internal audit

K Woodward

SIGNATURE REQUIRED

Date

19/04/2022

*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, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

EAST SUFFOLK IDB

our responsibility for ensuring that there is a sound system of internal control, including arrangements for 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 2022, that:

	Agreed		
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			✓

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

13/06/2022

and recorded as minute reference:

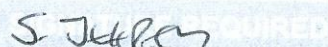
42/22/01

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman



Clerk



<https://www.wlma.org.uk/east-suffolk-idb/home/>

Section 2 – Accounting Statements 2021/22 for

ENT EAST SUFFOLK IDB

	Year ending		Notes and guidance
	31 March 2021 £	31 March 2022 £	
1. Balances brought forward	3,369,899	3,377,579	<i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i> <i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	475,381	484,896	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	1,157,929	1,814,823	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	363,269	339,900	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	171,545	171,545	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	1,090,816	1,514,519	<i>Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	3,377,579	3,651,334	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	3,720,816	3,845,309	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	1,025,329	1,025,329	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	2,887,451	2,796,916	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A
			✓
			<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i> <i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2022 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

S. J. HARRIS SIGNED

Date

30/05/2022

I confirm that these Accounting Statements were approved by this authority on this date:

13/06/2022

as recorded in minute reference:

42/22/02 REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

[Signature] SIGNED

Section 3 – External Auditor Report and Certificate 2021/22

In respect of **EAST SUFFOLK INTERNAL DRAINAGE BOARD – DB0029**

1 Respective responsibilities of the body and the auditor

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with Proper Practices which:

- summarises the accounting records for the year ended 31 March 2022; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor report 2021/22

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other 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 draw to the attention of the authority:

None.

3 External auditor certificate 2021/22

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2022.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

08/09/2022

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

FRS102 as at 31 March 2022 - Results Schedule

Employer : Kings Lynn (WMA)

Local Government Pension Scheme Fund : Norfolk Pension Fund

Terms of Engagement Signed : 9 March 2022

Date report prepared : 20 April 2022

Summary information from this schedule:

(a) Balance sheet

	31 March 2022	31 March 2021
	£(000)	£(000)
Assets	6,171	5,227
Obligations	10,443	10,326
Net asset / (liability)	(4,272)	(5,099)

(b) Profit & Loss account for the period ending 31 March 2022

	£(000)
Service cost	
Current Service Cost	(890)
Past Service Cost (including curtailments)	-
Effect of settlements	-
Total Service Cost	(890)

	£(000)
Total net interest	(110)
Total defined benefit cost recognised in Profit or (loss)	(1,000)



Julie Baillie FFA

For and on behalf of Hymans Robertson LLP

(c) Key elements

Has the employer instructed bespoke assumptions?	No
Bulk transfer(s) included?	No
Unfunded Pensioner(s) included?	No

To help with your year-end reporting, you can request a supplementary paper or slide deck explaining the key movements on your specific numbers to aid understanding of the figures, help with audit questions and assist with presentations to committee members / directors on your results.

You may also wish to discuss your results with an actuary or arrange a call for your auditor to help answer their queries on your 2022 accounts.

For any questions on your report or to request a supplementary paper, slide deck or results/audit call, please contact your regular LGPS Fund contact.

Asset returns - The figure on page 3 for the investment return over the year is based on information provided by the Administering Authority. The figure incorporates actual Norfolk Pension Fund returns for the period 1 April 2021 to 28 February 2022 and an estimate Fund return of 1.2% for the month to 31 March 2022.

(d) General Information for auditor and Employer

The results in the Schedule report should be read in conjunction with the accompanying report entitled 'Actuarial Valuation as at 31 March 2022 for Accounting Purposes'. The method, assumptions, reliances and limitations are described in that document. The restrictions set out in the reports on the disclosure to any third party apply equally to this Results Schedule.

If there are any queries on the approach taken to derive the figures in the Results Schedule please first consider the accompanying report as it will often answer these. In particular, see the sections on recent court cases (such as the Lloyds' judgement on GMP, McCloud, Goodwin etc) and other key topics which will detail the approach taken to allow for these issues or otherwise.

Contents in the remainder of this schedule:

1. Data (including early retirements, investment returns, asset split & unfunded pensions)
2. Assumptions
3. Balance sheet, P&L, OCI disclosures as at 31 March 2022 (and prior year if relevant)
4. Projected defined benefit cost for the period to 31 March 2023
5. Sensitivity analysis

Section 1 - Data

Employer membership statistics

	Number of Records	Total Salaries/ Pensions p.a. (£000)	Average Age
	31 Mar 2019	31 Mar 2019	31 Mar 2019
Actives	30	1,267	47
Deferred Pensioners	4	28	56
Pensioners	2	22	69

The membership data summarised in the table above is as at the most recent funding valuation date of 31 March 2019. Salaries are actual, not full-time equivalent. Deferred pensioners include undecided leavers and frozen refunds. Pensioners include dependants.

Payroll

Period	Assumed Total Pensionable Payroll based on Information Provided
1 April 2021 to 31 March 2022	£1,724,000

LGPS early retirements

New Early Retirements 1 April 2021 to 31 March 2022	Number	Total Pension Accrued (£)	Total Pension Actual (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Teachers' early retirements

New Early Retirements 1 April 2021 to 31 March 2022	Number	Recharged Accrued Pension (£)	Total Actual Recharged Pension (£)
Redundancy	-	-	-
Efficiency	-	-	-
Other	-	-	-

Investment returns

The return on the Fund in market value terms for the period to 31 March 2022 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are given below:

Actual Returns from 31 March 2021 to 28 February 2022	6.6%
Total Returns from 1 April 2021 to 31 March 2022	7.9%

The major categories of plan assets as a percentage of total plan assets

We have used the most recent asset split provided to us and allowed for index returns, where required, on each asset category to determine the estimated split of assets as at 31 March 2022.

Period Ended	31 Mar 2022	31 Mar 2021
Equities	50%	51%
Bonds	30%	34%
Property	19%	11%
Cash	1%	4%

Unfunded benefits

A summary of the membership data in respect of unfunded benefits is shown below.

LGPS Unfunded Pensions	Number at 31 March 2022	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

Teacher Unfunded Pensions	Number at 31 March 2022	Annual Unfunded Pension £(000)
Male	-	-
Female	-	-
Dependants	-	-
Total	-	-

The annual unfunded pensions include the 2022 pension increase.

Bulk transfers

I have not been asked to value any bulk transfers of membership this period.

Section 2 - Assumptions

Financial assumptions

The financial assumptions, as described in the accompanying covering report, are summarised below:

Period Ended	31 Mar 2022	31 Mar 2021
	% p.a.	% p.a.
Pension Increase Rate (CPI)	3.15%	2.80%
Salary Increase Rate	3.85%	3.50%
Discount Rate	2.75%	2.05%

As at the date of the most recent valuation, the duration of the Employer's funded obligations is 29 years.

Demographic assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Males	Females
Current Pensioners	21.7 years	24.1 years
Future Pensioners*	22.9 years	26.0 years

* Figures assume members aged 45 as at the last formal valuation date.

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowance for future improvements are shown below:

Current Pensioners	Future Pensioners
Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2020 model, with a 0% weighting of 2020 data, standard smoothing (Sk7), initial adjustment of 0.5% and a long term rate of improvement of 1.5% p.a.	Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2020 model, with a 0% weighting of 2020 data, standard smoothing (Sk7), initial adjustment of 0.5% and a long term rate of improvement of 1.5% p.a.

Please note that the mortality assumptions used to value the Obligations in the Employer's Closing Position are different to those used to value the Obligations in the Employer's Opening Position.

A commutation allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

All other demographic assumptions are as per the latest funding valuation of the Employer.

Section 3 - Balance sheet, P&L, OCI disclosures as at 31 March 2022

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2022

Period ended 31 March 2022	Assets £(000)	Obligations £(000)	Net asset / (liability) £(000)
Fair value of plan assets	5,227		5,227
Present value of funded obligations		10,326	(10,326)
Present value of unfunded obligations		-	-
Opening Position as at 31 March 2021	5,227	10,326	(5,099)
Service cost			
Current service cost*		890	(890)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	890	(890)
Net interest			
Interest income on plan assets	112		112
Interest cost on defined benefit obligation		222	(222)
Total net interest	112	222	(110)
Total defined benefit cost recognised in Profit or (Loss)	112	1,112	(1,000)
Cashflows			
Participants' contributions	137	137	-
Employer contributions	405		405
Benefits paid	(29)	(29)	-
Unfunded benefits paid	-	-	-
Contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	5,852	11,546	(5,694)
Remeasurements			
Changes in financial assumptions		(1,079)	1,079
Changes in demographic assumptions		(44)	44
Other experience	-	20	(20)
Return on assets excluding amounts included in net interest	319		319
Total remeasurements recognised in Other Comprehensive Income (OCI)	319	(1,103)	1,422
Fair value of plan assets	6,171		6,171
Present value of funded obligations		10,443	(10,443)
Present value of unfunded obligations**		-	-
Closing position as at 31 March 2022	6,171	10,443	(4,272)

Please note the Employer's fair value of plan assets is less than 1% of the Fund's total.

I estimate that the present value of funded obligations comprises of approximately £9,173,000, £832,000 and £438,000 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2022.

* The current service cost includes an allowance for administration expenses of 0.6% of payroll.

** The unfunded obligations comprise of £0 in respect of LGPS unfunded pensions and £0 in respect of Teachers' unfunded pensions.

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2021

Period ended 31 March 2021	Assets £(000)	Obligations £(000)	Net asset / (liability) £(000)
Fair value of plan assets	3,806		3,806
Present value of obligations		6,594	(6,594)
Opening Position as at 31 March 2020	3,806	6,594	(2,788)
Service cost			
Current service cost*		472	(472)
Past service cost (including curtailments)		-	-
Effect of settlements	-	-	-
Total Service Cost	-	472	(472)
Net interest			
Interest income on plan assets	92		92
Interest cost on defined benefit obligation		158	(158)
Total net interest	92	158	(66)
Total defined benefit cost recognised in Profit or (Loss)	92	630	(538)
Cashflows			
Participants' contributions	122	122	-
Employer contributions	344		344
Benefits paid	(27)	(27)	-
Unfunded benefits paid	-	-	-
Contributions in respect of unfunded benefits paid	-		-
Effect of business combinations and disposals	-	-	-
Expected closing position	4,337	7,319	(2,982)
Remeasurements			
Changes in financial assumptions		2,937	(2,937)
Changes in demographic assumptions		122	(122)
Other experience	-	(52)	52
Return on assets excluding amounts included in net interest	890		890
Total remeasurements recognised in Other Comprehensive Income (OCI)	890	3,007	(2,117)
Fair value of plan assets	5,227		5,227
Present value of funded obligations		10,326	(10,326)
Present value of unfunded obligations		-	-
Closing position as at 31 March 2021	5,227	10,326	(5,099)

* The current service cost includes an allowance for administration expenses of 0.6% of payroll.

Please note that I have only shown a one year history of results and if further information is required please see the previous years' reports.

Section 4 - Projected defined benefit cost for the period to 31 March 2023

Analysis of projected amount to be charged to operating profit for the period to 31 March 2023

Period Ended 31 March 2023	Assets	Obligations	Net asset / (liability)	
	£(000)	£(000)	£(000)	% of pay
Projected Current service cost *		776	(776)	(45.0%)
Past service cost including curtailments		-	-	-
Effect of settlements	-	-	-	-
Total Service Cost	-	776	(776)	(45.0%)
Interest income on plan assets	177		177	10.3%
Interest cost on defined benefit obligation		299	(299)	(17.3%)
Total Net Interest Cost	177	299	(122)	(7.0%)
Total Included in Profit and Loss	177	1,075	(898)	(52.0%)

* The current service cost includes an allowance for administration expenses of 0.6% of payroll. The monetary value is based on a projected payroll of £1,724,000.

The contributions paid by the Employer are set by the Fund following an actuarial valuation. For further details on the approach adopted to set contribution rates for the Employer, please refer to the latest formal valuation report and Funding Strategy Statement.

I estimate the Employer's contributions for the period to 31 March 2023 will be approximately £414,000.

Notes:

The above figures should be treated as estimates and may need to be adjusted to take account of:

- any material events, such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund;
- any changes to accounting practices;
- any changes to the Scheme benefit or member contribution rates; and/or
- any full funding valuation that may have been carried out on the Employer's behalf.

The monetary amount of the projected service cost for the period to 31 March 2023 will be adjusted to take account of the actual pensionable payroll for the period.

Section 5 - Sensitivity Analysis

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme obligations are set out below:

Change in assumptions at 31 March 2022:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	293
1 year increase in member life expectancy	4%	418
0.1% increase in the Salary Increase Rate	1%	59
0.1% increase in the Pension Increase Rate (CPI)	2%	232

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The provided sensitivity figures can be used to estimate the impact of adopting different financial assumptions (e.g. an Employer considering alternative accounting assumptions or to help an Employer complete an ESFA accounts return). For further details on this, please refer to the accompanying accounting covering report.

In order to quantify the impact of a change in the financial assumptions used, we have calculated and compared the value of the scheme obligations at the accounting date on varying bases. The approach taken is consistent with that adopted to derive the accounting figures provided in this report, based on the profile (average member ages, retirement ages etc) of the Employer as at the date of the most recent valuation.



Annual Report for the year ended

31 March 2022

The Law – the following annual report is provided in accordance with Paragraph 4 of Schedule 2 to the Land Drainage Act 1991.

No later than 31 October 2022 a copy must be provided to:

- Department for Environment, Food and Rural Affairs, Flood and Coastal Erosion Risk Management Division, Floor 3, Seacole, 2 Marsham Street, London SW1P 4DF via flood.reports@defra.gov.uk
- National Flood and Coastal Risk Manager (Strategic Delivery), The Environment Agency, Horizon House, Deanery Road, Bristol, BS1 5AH via james.addicott@environment-agency.gov.uk
- The Chief Executives of:
 - all local authorities that pay special levies to the Board;
 - all County Councils or London Boroughs within which the Board is situated.

Please complete the form electronically. If you are unable to complete the form electronically, please complete in BLOCK LETTERS using **black ink**.

Please round all cash figures down to nearest whole £.

EAST SUFFOLK

Internal Drainage Board

Section A – Financial information

Preliminary information on special levies issued by the Board for 2022-23

Information requested below is essential in calculating future formula spending share. It is not covered elsewhere on this form or by the external auditor's certificate.

Special levies information for financial year 2022-23 (forecast)	
Name of local authority	2022-23 forecast £
1. EAST SUFFOLK COUNCIL	125,533
2. MID SUFFOLK DISTRICT COUNCIL	42,954
3. IPSWICH BOROUGH COUNCIL	40,389
4. BABERGH DISTRICT COUNCIL	1,907
5.	
6.	
7.	
8.	
Total	210,783

Section A – Financial information (continued)

Income and Expenditure Account for the year ending 31 March 2022

All Internal Drainage Boards must ensure that the Income and Expenditure information provided below is consistent with the Board's annual accounting statements which have been prepared in accordance with proper practices found in *Governance and Accountability for Smaller Authorities in England – A Practitioners' Guide to proper practices to be applied in the preparation of statutory annual accounts and governance statements March 2017*

	Notes	Year ending 31 March 2022 £
INCOME		
1. Drainage Rates		285,424
2. Special Levies		199,472
3. Higher Land Water Contributions from the Environment Agency		118,779
4. Contributions received from developers/other beneficiaries		0
5. Government Grants (includes capital grants from EA and levy contributions)		27,207
6. PSCAs from EA and other RMAs		1,022,795
7. Loans		0
8. Rechargeable Works		87,267
9. Interest and Investment Income		4,267
10. Rents and Acknowledgements		0
11. Other Income		236,715
Total income		1,981,926
EXPENDITURE		
12. New Works and Improvement Works		27,207
13. Total precept to the Environment Agency		93,398
14. Watercourse maintenance		40,886
15. Pumping Stations, Sluices and Water level control structures		455,667
16. Administration		174,784
17. PSCAs		1,022,795
18. Rechargeable Works		124,863
19. Finance Charges		81,010
20. SSSIs		0
21. IDB Biodiversity and conservation (other than item 20 expenditure)		7,393
22. Other Expenditure		0
Total expenditure		2,028,003

EXCEPTIONAL ITEMS		
23. Profits/(losses) arising from the disposal of fixed assets		0
Net Operating Surplus/(Deficit) for the year		(46,076)
24. Developers Funds income not applied in year		77,645
25. Grant income not applied in year		368,485

Notes:

11. Include all other Income, such as absorption account surpluses (for example plant and labour absorption accounts).
12. State the gross cost of undertaking minor capital works that have not been capitalised and the annual depreciation charges of all major schemes that have been capitalised. You should also include a fair proportion of the support costs directly associated with delivery of the schemes.
13. State the total precept demanded for the year as properly issued by the Environment Agency, in accordance with section 141 of the Water Resources Act 1991. Providing that the precept has been properly issued as before stated it should always be included here, even when the Board has appealed against the amount of contribution, in accordance with section 140 of the Water Resources Act 1991. Where the Board knows with certainty the outcome of any such appeal, it should also include the appropriate accrual/prepayment.
14. State all costs associated with the maintenance of watercourses, meaning work associated with open channels, pipelines, culverts, bridges, etc. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with delivery of the maintenance programme.
15. State all costs associated with maintaining and operating the pumping stations, sluices and water level control structures. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with maintaining and operating the pumping stations, sluices and water level control structures.
16. Include the cost of non-technical staff only, office accommodation, annual depreciation of office equipment that has been capitalised, minor office equipment that has not been capitalised, postages, telecoms', stationery, printing, advertising, auditing of accounts, general insurances and all other costs associated with supporting the organisation. Please note that this does not include support costs, which are directly associated with the delivery of front line services.
17. State all costs associated with the PSCA
18. State all costs associated with undertaking work for third parties. Plant, vehicle and labour charges should include a fair proportion of the overheads such as depot/workshop costs, employment on-costs, insurances and depreciation, etc. You should also include a fair proportion of the support costs directly associated with undertaking the rechargeable work.
19. Include the cost of servicing any borrowing, in terms of bank/loan/hire purchase Interest payable.
20. State all costs associated with undertaking works – capital or maintenance – specifically for helping to achieve favourable condition on Sites of Special Scientific Interest (SSSIs). In most cases, these costs will be incurred in implementing actions set out in SSSI Water Level Management Plans or SSSI River Restoration Plans.
21. State all costs associated with undertaking works – capital or maintenance – that are likely intended to help conserve biodiversity (other than works on SSSIs). These costs are likely to be incurred in implementing actions set out in an IDB's Biodiversity Action Plan or other conservation actions on non-designated sites.
22. Include all other expenditure, such as a provision for bad/doubtful debts, write-offs, and absorption account deficits (for example plant and labour absorption accounts).
23. For the disposal of assets, state the difference between any proceeds from the sale/disposal of the asset and the cost of the asset less accumulated depreciation.
24. Total balance of developer fund year end.
25. Unspent grant at year end.

Section B –IDB Reporting

Policy Delivery Statement

Boards are required to produce a publicly available policy statement setting out their plans for delivering the Government's policy aims and objectives. It is recommended that these statements be published on Boards' websites where they have them and reviewed every three years.

Is an up to date statement in place and copy (or weblink)

provided to Defra, and EA? ? https://www.wlma.org.uk/uploads/ESIDB_Policy_Statement.pdf..... Yes ☒ No ☐

Biodiversity

Please indicate whether your Board has a Biodiversity Action PlanYes ☒ No ☐

If "yes" is the Biodiversity Action Plan available on your website?

https://www.wlma.org.uk/uploads/ESIDB_BAP_April_2018.pdf.....Yes ☒ No ☐

What year was your Biodiversity Action Plan last updated?).....

2018

Have you reported progress on BAP implementation on your web site?.....Yes ☐ No ☒

When was biodiversity last discussed at a Board meeting (date)?.....

13/06/2022

Do you have a biosecurity process?.....Yes ☒ No ☐

SSSI water level management plans

Please indicate whether your Board is responsible for any SSSI water level management plans?.....Yes ☒ No ☐

If so, which ones:

Fox Fritillary Meadow

Area of SSSI with IDB water level management plans.....

2.4ha

Area of SSSI where IDB water level management activities are contributing to recovering or favourable condition?

2.4ha

Area of SSSI where IDB water level management actions are required to achieve recovering or favourable condition?

0

Access to environmental expertise

Does your IDB have access to environmental expertise? If so please tick all those options below through which environmental expertise is regularly provided to your IDB:

- Appropriately skilled Board Members (e.g. Board member from an Environmental Body/Authority)
- Co-opted members
- Directly employed staff
- Contracted persons or consultants
- Environmental Partners/NGOs
- Other (please describe)
- ☒
- ☐
- ☒
- ☒
- ☒
- ☐

Asset Management

What system/database does your Board use to manage the assets it is responsible for?

- ADIS
- Paper Records
- Other Electronic System
- ☐
- ☐
- ☒

Has your Board continued to undertake visual inspections and update asset databases on an annual basis?

Yes ☒ No ☐

What is the cumulative total of identified watercourse (in km) that the Board periodically maintains?

103km

How many pumping stations does the Board operate?

10

What is the cumulative design capacity of the Board's pumping station(s) (enter zero if no stations are operated)?

4.4 cumecs

Health and Safety

Does the Board have a current Health and Safety policy in place?

Yes ☒ No ☐

Does the Board have a responsible officer for Health and Safety?

Yes ☒ No ☐

Have there been any reportable incidents in the past year?

Yes ☐ No ☒

If so, please summarise in the box below:

Guidance and Best Practice

Has your IDB adopted a formal Scheme of Delegation?

Yes ☒

No ☐

Has your IDB provided training for board members in the last year in the any of the following areas?

Governance

☒

Finance

☐

Environment

☒

Health, safety and welfare

☒

Communications and engagement

☐

Other (please describe)

☐

Is your Board’s website information current for this financial year? (Board membership, audited accounts, programmes of works, WLMPs, etc)

Yes ☒

No ☐

Has your IDB adopted computerised accounting and rating systems?

Yes ☒

No ☐

Has your board published all minutes of meetings on the website?.....

Yes ☒

No ☐

Does the Board publish information on its website on its approach to maintenance works and provide contact details to allow for and encourage public engagement?

Yes ☒

No ☐

When planning maintenance and capital works are environmental impacts taken into account and wherever possible best practice applied?

Yes ☒

No ☐

Has your Board adopted the following governance documents?

Standing Orders

Yes ☒

No ☐

Have the Standing Orders been approved by Ministers

Yes ☒

No ☐

Byelaws

Yes ☒

No ☐

If you have Byelaws, have you adopted the latest model byelaws published in 2012.....

Yes ☒

No ☐

Have the Byelaws been approved by Ministers.....

Yes ☒

No ☐

Code of Conduct for Board Members.....

Yes ☒

No ☐

Financial Regulations.....Yes ☒ No ☐

Register of Member's Interests.....Yes ☒ No ☐

Anti-fraud and corruption policy.....Yes ☒ No ☐

Board membership and attendance

How many Board members (in total – elected and appointed) do you have on your IDB?	23
Seats available to appointed members under the Land Drainage Act 1991.	12
Number of elected members on the board at year end.	10
Number of appointed members on the board at year end.	12
Mean average number of elected members in attendance at each board meeting over the last financial year.	6
Mean average number of appointed members in attendance at each board meeting over the last financial year.	8

Have you held elections within the last three years?.....Yes ☒ No ☐ N/A ☐

Did elections comply with the requirements specified by the Secretary of State under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938?..... Yes ☒ No ☐ N/A ☐

Complaints procedure

Is the procedure for a member of the public to make a complaint about the IDB accessible from the front page of its website?.....Yes ☒ No ☐

Number of complaints received in the financial year?	
Number of complaints outstanding in the financial year?	0
Number of complaints referred to the Local Government Ombudsman?	0
Number of complaints upheld by the Local Government Ombudsman?	0

Public Engagement

Set out what your Board has done in this financial year to engage with the public (tick relevant box(es) below):

Press releases	<input type="checkbox"/>
Newsletters	<input checked="" type="checkbox"/>
Web site	<input checked="" type="checkbox"/>
Meetings	<input checked="" type="checkbox"/>
Shows/events (including open days/inspections)	<input type="checkbox"/>
Consultations	<input type="checkbox"/>
Notices	<input type="checkbox"/>

Percentage (in value) of drainage rates outstanding at year end?

0.56%

Section B: NOTES

Guidance and Best Practice

Has your Board published **all** minutes of meetings on the web site? In answering this question, this should apply to all the main Board meetings held in the year and any appropriate meetings the Board has held with external stakeholders.

Board membership and attendance

When referring to **elected members** of the Board, this relates to the number of landowners/drainage rate payers that are elected to the Board.

When referring to **appointed members** of the Board, this relates to the number of members appointed by the local authorities to represent the local council taxpayers.


When referring to mean average number of elected and appointed members in attendance at meetings at each board meeting – **this should be expressed as a number of attendees** and not as a percentage attendance.

With regard to elections, under Schedule 1 of the Land Drainage Act 1991, elected members should hold office for three years, at which point a further election is held. When elections are held, they should comply with the requirements under Regulation 28 of the Land Drainage (Election of Drainage Boards) Regulations 1938 – to advertise and notify local stakeholders accordingly.

Section C – Declaration

EAST SUFFOLK	Internal Drainage Board
--------------	-------------------------

I confirm that the information provided in sections A-C or with this form is correct.

Signature	
Date	27/10/2022
Name in BLOCK LETTERS	PHIL CAMAMILE
Designation	CHIEF EXECUTIVE
Email address	PHIL@WLMA.ORG.UK

BOARD MEMBERSHIP AS AT 31 MARCH 2022			
NAME	MEETINGS	ATTENDED	ATTENDANCE %
ELECTED MEMBERS			
Jack Cooke (wef Nov 20)	3	2	67
James Foskett	3	1	33
Sir Edward Greenwell	3	1	33
Matt Gooch (wef Jan '22)	1	0	0
Nick Hardingham (wef Nov 21)	2	2	100
Charles Loyd	3	1	33
Christopher Mann	3	0	0
Richard Mann	3	3	100
Jane Marson * (wef Oct 19)	3	3	100
Michael Paul **	3	3	100
Adam Rowlands (until Oct 21)	1	1	100
Elected Member Totals	28	17	61%
APPOINTED MEMBERS			
Ipswich BC			
Tony Gould (wef Oct 21)	2	2	100
Oliver Holmes	3	2	67
Philip Smart	3	3	100
Mid Suffolk DC			
James Caston	3	3	100
John Field (wef Oct 19)	3	3	100
Keith Welham	3	3	100
East Suffolk Council			
Paul Ashdown (wef June19)	3	1	33
Stuart Bird (wef June 19)	3	2	67
Alison Cackett (wef Oct 20)	3	3	100
Judy Cloke (wef June 19)	3	3	100
Ray Herring (wef June 19)	3	0	0
Keith Patience (wef June 19)	3	2	67
Appointed Member Totals	35	27	77%

* Chairman ** Vice-Chairman

Elected Average Attendance (excluding vacancies) **61%**

Appointed Average Attendance (excluding vacancies) **77%**



Gifts and Hospitality Register for 2021/22

[illegible]