WAVENEY LOWER YARE AND LOTHINGLAND IDB

Statement of Accounts: Year Ended 31 March 2026

Exercise of Public Rights

Local Audit and Accountability Act 2014
Accounts & Audit Regulations 2015
Accounts & Audit (Amendment) Regulations 2021

1. NOTICE is given that from 01 July 2026 to 12 August 2026 the accounts of Waveney Lower Yare and Lothingland Internal Drainage Board, for the year ended 31 March 2026, will be available on the website for inspection.

2. The IDB's accounts are subject to external audit. An auditor has not yet been appointed by Public Sector Audit Appointments Limited (PSAA) who are responsible for the appointment of an external auditor to Local Authorities.

3. During the period 01 July 2026 to 12 August 2026 members of the public and local government electors have certain rights in the audit process:

> a. Any person may inspect the accounts of the IDB for the year ended 31 March 2026 and certain related documents;
>
> b. A local government elector or their representative may ask the local auditor questions about the accounts;
>
> c. A local government elector or their representative, may make an objection to the IDB's accounts which concerns a matter in respect of which the auditor could make a public interest report, and/or apply to the court for a declaration that an item in the accounts is contrary to law (under section 27 of the Local Audit and Accountability Act 2014). Written notice of a proposed objection and the grounds on which it is made must be sent to the auditor at the address given above and copied to the IDB.

4. Any person exercising the rights set out above requiring contact with the IDB is invited to email in the first instance and contact the Chief Financial Officer at sallyanne@wlma.org.uk.

Sallyanne Jeffrey
Chief Financial Officer/Responsible Financial Officer
Waveney Lower Yare and Lothingland Internal Drainage Board
Pierpoint House, 28 Horsleys Fields
Kings Lynn, Norfolk
PE30 5DD

30 June 2026

WAVENEY LOWER YARE AND LOTHINGLAND

INTERNAL DRAINAGE BOARD

Waveney, Lower Yare and Lothingland
Drainage Board

DRAFT
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING
31ST MARCH 2026

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

Waveney, Lower Yare and Lothingland Drainage Board

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About the Waveney Lower Yare and Lothingland Internal Drainage Board

The Waveney Lower Yare and Lothingland IDB is an independent body created under Land Drainage Statute responsible for flood defence, drainage and water level management works, other than on main rivers, in the Waveney Lower Yare and Lothingland IDB area. Board Members are either elected by and represent the occupiers of land in the area, or are appointed by Breckland DC, Broadland DC, East Suffolk Council, Great Yarmouth Borough Council, Mid Suffolk DC or South Norfolk DC.

The Board secures income mainly from drainage levies on farmers and other occupiers, and from special levies on local authorities. The Board also pays levies to the Environment Agency to fund works on main rivers and sea defences that protect the drainage district.

The Board consists of 9 elected members and 10 nominated members.

This document is the Statement of Accounts of Waveney Lower Yare and Lothingland IDB for the financial year ended 31st March 2026. The accounts consist of:

The Annual Governance Statement

This statement acknowledges the Board's responsibilities in terms of preparing the financial statements and ensuring that there is a sound system of internal control.

The Statement of Responsibilities

This statement identifies the officer(s) who are responsible for the proper administration of the Board's financial affairs.

The Income and Expenditure Account

This statement shows the gross expenditure, income and net expenditure on the major activites for which the Board is responsible and compares that cost with the finance provided by the local rate payer and others.

The Balance Sheet

This statement is fundamental to the understanding of the Board's financial position at the year end. It shows the balances and reserves at the Board's disposal, the fixed and net current assets employed in its operation, together with summarised information of the fixed assets held. This statement also includes the assets and liabilities of the Board.

Waveney, Lower Yare and Lothingland Drainage Board

The Statement of Movement on Reserves

This statement shows the changes in reserves during the reporting period.

The Cash Flow Statement

The cash flow statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operation of the authority are funded by way of rate payers, special levies, grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (ie borrowing) to the authority.

Summary of Financial Performance

The Board's financial position improved during the year as follows:

1. A surplus of £1,538,397 for the financial year 25-26 (year ended 31 March 2026) has been reported, against a budgeted breakeven position. However, we must note that £1,237,378 of this surplus has arisen due to interest received on investments held for the Capital Works programme and other reserves held by the Board, to which they are allocated. Electricity costs during the period were lower than estimated due to reduced rainfall over a dry year.

2. Liquidity: Cash surpluses have increased from £29,061,680 to £33,075,652, as shown in the cash flow statement. This increase was anticipated due the capital works programme being undertaken by the Board, and the profiling of contributions and grant received over this period.

3. Funding: The Boards expenditure is mainly funded by cash from annual levies on ratepayers and local Councils. The Board also holds a number of cash reserves. External funding is sought on Capital Improvement Schemes from the Environment Agency and other third party contributors.

Five Year Capital Works Programme

As reported and approved by the Board in January/February of each year, full details of the 5 year capital works programme (along with the full estimates for income and expenditure of the Board) can be found on the website https://www.wlma.org.uk/uploads/WLYLIDB_Rate_Estimates_2025-26.pdf These estimates underline the importance of having adequate reserves (please see the Executive Summary) and detail the funding sources which includes long term debt, flood defence grant in aid and third party contributions, as set out in the Boards Capital Financing and Reserves Policy.

Statement of Responsibilites for the Statement of Accounts

The Board is required:

1) To make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Board that officer is the Chief Financial Officer.

2) To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

3) Approve the Statement of Accounts.

The Chief Financial Officer's responsibilities:

The Chief Financial Officer is responsible for the preparation of the Waveney Lower Yare and Lothingland Internal Drainage Board's Statement of Accounts which is required to present a true and fair view of the financial position of the Board at the accounting date, and its Income and Expenditure for the year ended 31st March 2026.

In preparing this Statement of Accounts, the Chief Financial Officer has:

1) selected suitable accounting policies and then applied them consistently;

2) made judgements and estimates that were reasonable and prudent;

3) prepared the Statement of Accounts in accordance with proper practice as set out in the CIPFA Code of Practice on local authority accounting in the United Kingdom;

4) applied the accounting concept of a going concern by assuming the IDB will continue to operate for the foreseeable future.

The Chief Financial Officer has:

1) kept proper accounting records which were up to date;

2) taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Chief Financial Officer's responsibilities:

I certify that the Statement of Accounts gives a true and fair view of the financial position Waveney Lower Yare and Lothingland IDB at the reporting date and of its income and expenditure for the year ended 31st March 2026.

Name:	Sallyanne Jeffrey
Designation:	Chief Financial Officer/Responsible Financial Officer
Date:	30th June 2026

Waveney, Lower Yare and Lothingland Drainage Board

Annual Governance Statement

Board's Role

As the members of the Waveney Lower Yare and Lothingland Internal Drainage Board we acknowledge our responsibility for ensuring that there is a sound system of governance, incorporating the system of internal control, including the preparation of the Statement of Accounts.

The Board provides leadership within a framework of prudent and effective controls, which enables risk to be properly assessed and managed. The Board sets the strategic aims, ensures that the necessary financial and human resources are in place to meet its objectives, and reviews management performance. The Board also sets values and standards, and ensures that the obligations to its stakeholders are understood and delivered.

Board's Composition

The Board has a total of 19 members, 9 of which are elected by occupiers of agricultural land who pay Drainage Rates directly to the Board for the services they receive (the elected members), and 10 members are appointed by the constituent Councils to represent the extent of other interests in the Drainage District (the appointed members).

Accountability

The Board is democratically accountable to those that pay for the service in its Drainage District. Consequently all money that we raise to do work in our Drainage District is spent actually doing work that benefits the Drainage District. All Board members are bound by the Members Code of Conduct and should also register their interests before taking office.

Elected Members

The number of elected members is set out in the constitution. The number of elected members as compared to the number of appointed members that each consituent Council is entitled to appoint depends upon the proportion of expenditure that is paid in total by the occupiers of agricultural land, as compared to what is paid by the constituent Councils. Elections for membership of the Board are held every 3 years, this is an opportunity for drainage rate payers to exercise their vote or indeed stand for election.

Appointed Members

The number of members that each constituent Council is entitled to appoint is determined by the Board every 3 years, in accordance with Schedule 1, Section 6(1) of the Land Drainage Act 1991. The Councils cannot just appoint anyone: they should appoint persons who have relevant knowledge or experience and have shown capacity in such matters. The Board may not approve the appointment of persons that do not fulfil this legal requirement, so please check out our guidance for Local Authorities when making appointments to IDBs. It is important to note that the appointed members do not represent the Councils themselves. As members of the Board they are duty bound to consider all proposals in the context of what is in the best interest of the Board, which may occasionally be different to what is in the best interest of their Council.

Decision Making

The Board make the key decisions and have reserved those matters that only it can take. Such decisions are made at Board meetings that take place at least 2 times a year and are recorded in the Minutes. Board meetings are public meetings at which anyone can attend the general business sessions. All other matters which, by definition, the Board considers suitable for delegation or may otherwise need to be dealt with between Board meetings have been delegated to its Plenary Committees and to the Consortium Management Committee, in accordance with the Board's Standing Orders, Scheme of Delegation and Financial Regulations. In addition to this the Board has constituted certain Advisory Committees and is represented on a number of Joint Advisory Committees, which make recommendations to the Board on various matters. Decisions and Board policy are then implemented by the Chief Executive and his/her Management Team. All staff are bound by the Employees Code of Conduct.

Decision Making

The Board has put in place a number of plans policies and procedures to reduce the risk of fraud and to manage the key risks around delivering its strategic objectives: Anti-Fraud and Corruption Policy, Risk Management Policy, Employers Pension Policy Statement and Whistle blowing Policy.

Transparency

The Board's Minutes are published on our website along with the Reports that have helped inform these decisions. We aim to comply with the Government's Transparency Code and have also implemented the following policies to explain the types of information we have and when we can make this info. available, if requested: Data Protection Policy, Document Retention/Destruction Policy and our Freedom of Information Publication Scheme. Most information is freely available and can be accessed from our website. Other news and live updates are regularly communicated through our Facebook page, in accordance with the Board's Information Security and Systems – Acceptable Use Policy.

Independent Assurance

Following closure of the Audit Commission on 31 March 2015 and expiration of its audit contracts the Government's Specified Person (Public Sector Audit Appointments Ltd) now appoints an External Auditor each year to audit the Board's Accounts and governance arrangements (the Appointed Auditor). The Appointed Auditor reports directly to the Board and therefore provides independent assurance to the Board and its stakeholders that the Accounts have been prepared in accordance with proper practices and that governance arrangements are sufficiently robust. Furthermore the Internal Auditor checks that the Board's management team are fully complying with these governance arrangements and reports directly to the Board on this every year. All of the Board's business processes are ISO 9001 and 14001 quality assured.

We confirm to the best of our knowledge and belief, with respect to the Board's Statement of Accounts for the year end 31st March 2026, that:

1) The Statement of Accounts have been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.

2) We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.

3) We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the Board to conduct its business or on its finances.

4) We have provided proper opportunity during the year for the exercise of electors rights in accordance with the requirements of the Accounts and Audit Regulations.

5) We have carried out an assessment of the risks facing the Board and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.

6) We have maintained throughout the year an adequate and effective system of internal audit of the Board's accounting records and control systems and carried out a review of its effectiveness.

7) We have taken appropriate action on all matters raised in previous reports from the internal and external audit.

8) We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year end, have a financial impact on the Board and where appropriate have included them in the Statement of Accounts.

The Board has responsibility for conducting a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the Officers of the Board who have responsibility for the development and maintenance of the governance environment, and also by comments made by internal and external auditors.

The current Internal Auditors have performed a review of the key areas, which can be seen in detail in the Internal Audit reported that has been included in this Statement of Accounts. These areas were given an overall assurance of Substantial Assurance.

Signed on behalf of Waveney Lower Ware and Lothingland Internal Drainage Board

Signed by: Chief Executive, Mr M Coleman Date: 30th June 2026

Signed by: Chief Financial Officer, Miss S Jeffrey Date: 30th June 2026

Movement in Reserves Statement

Movement in Reserves Statement for the year ended 31 March 2026

	Usable Reserves								Unusable Reserves		
	General Reserve £'000	Development Reserve £'000	Capital Works Reserve £'000	Capital Works Accrued Intt Reserve £'000	Accrued Interest Provision	Langley Road & Pump Maint and Repairs Provision £'000	Grant Reserve £'000	Total £'000	Revaluation Reserve £'000	Total £'000	Total Reserves £'000
Balance at 31st March 2025	**0**	**715**	**524**	**228**	**199**	**12**	**27,146**	**28,825**	**2,717**	**2,717**	**31,542**
Net Surplus/(Deficit)	452							452		0	452
Transfer (to)/from Development Reserve		0						0		0	0
Transfer (to)/from Capital Works Reserve			0					0		0	0
Transfer (to)/from Capital Works Intt Reserve				1,131				1,131		0	1,131
Transfer (to)/from Accrued Intt Reserve					23			23		0	23
Transfer (to)/from Langley Reserve						0		0		0	0
Transfer (to)/from Grant Reserve							4,125	4,125		0	4,125
Revaluation								0		0	0
Balance at 31st March 2026	**452**	**716**	**524**	**1,359**	**223**	**12**	**31,272**	**34,556**	**2,717**	**2,717**	**37,273**

Movement in Reserves Statement

Movement in Reserves Statement for the year ended 31 March 2025

	Usable Reserves								Unusable Reserves		
	General Reserve £'000	Development Reserve £'000	Capital Works Reserve £'000	Capital Works Accrued Intt Reserve £'000	Accrued Interest Provision	Langley Road & Pump Maint and Repairs Provision £'000	Grant Reserve £'000	Total £'000	Revaluation Reserve £'000	Total £'000	Total Reserves £'000
Balance at 31st March 2024	**102**	**704**	**0**	**103**	**166**	**12**	**3,425**	**4,512**	**2,717**	**2,717**	**7,229**
Net Surplus/(Deficit)	422							422		0	422
Transfer (to)/from Development Reserve		11						11		0	11
Transfer (to)/from Capital Works Reserve			0					0		0	0
Transfer (to)/from Capital Works Intt Reserve				126				126		0	126
Transfer (to)/from Accrued Intt Reserve					33			33		0	33
Transfer (to)/from Langley Reserve						0		0		0	0
Transfer (to)/from Grant Reserve							23,721	23,721		0	23,721
Revaluation								0		0	0
Balance at 31st March 2025	**524**	**715**	**0**	**228**	**199**	**11.66795**	**27,146**	**28,825**	**2,717**	**2,717**	**31,542**

Water Management Alliance

Assurance Review of Annual Governance and Accountability Return

April 2026

Final

Executive Summary

OVERALL ASSESSMENT		SUBSTANTIAL ASSURANCE	ACTION POINTS	HIGH RISK	MEDIUM RISK	LOW RISK	OPERATIONAL
				0	0	3	1

KEY STRATEGIC FINDINGS	
GF	**The Water Management Alliance (WMA) has good accounting practices, and the governance, risk and control framework is working well.**
RM	**The Member Board's Risk Registers do not include residual risk scores to assess the effectiveness of mitigating controls.**
C	**The WMA has complied with the publication requirements as stated by the Accounts and Audit Regulations 2015.**
C	**The WMA use the Sage 200 suite of software to manage their accounts, which supports accurate accounting and good record keeping.**
C	**Sample testing of high value payments validated purchase order, invoice and payment matching and authorisation with no discrepancies.**
PM	**Management accounts, including budget data, are reported at each Board meeting as evidenced by the corresponding minutes.**

SCOPE	ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE
The audit covered all areas required by the Annual Governance and Accountability Return (AGAR) and included, where appropriate, the key risks for a drainage board.	The purpose of the review was to undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.

Assurance - Key Findings and Management Action Plan (MAP)

Ref	Root Cause Indicator	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Risk Mitigation	Each Board within the alliance maintains an individual risk register following a consistent format. Risks are assessed using a 3x3 matrix and mitigating actions are in place, alongside designated risk owners and defined review dates. The four Ts risk scoring methodology (transfer, tolerate, treat, take the opportunity) is used, however residual risk scores are not in place to assess the effectiveness of current controls.	Introduce residual risk scores be added to the Board's risk registers to assess the effectiveness of current mitigating controls.	3	*Risk registers are under review and changes will be made within the year.*	*31/03/27*	*COO*
2	Governance Framework	The following Policies and procedures for each Board were reviewed and found to cover the expected areas and key controls: Business Plan (Policy Statement) - All approved within the five-year review cycle except for Waveney, Lower Yare and Lothingland (WLYL) which was due to be reviewed May 2025; Consortium Management Committee - Terms of Reference dated March 2024; and the Capital Financing and Reserves Policy - approved September 2022 with a five-year review cycle and is adopted by all seven Boards.	The Business Plan for Waveney, Lower Yare and Lothingland (WLYL) be reviewed and updated in line with the agreed cycle.	3	*This was omitted in the usual cycle and will be taken to the May Board meeting for approval.*	*31/05/26*	*BSM*
3	Governance Framework	The Financial Regulations were recently approved with a three-year review cycle and are adopted by all seven Boards; however, they do not reference the Procurement Act 2023.	The Financial Regulations be updated to reference the Procurement Act 2023 along with any recent changes.	3	*This will be reviewed and amended in year and taken to the CMC and Boards for approval.*	*31/03/27*	*CFO*

PRIORITY GRADINGS

1	**HIGH RISK**	Fundamental control weaknesses or compliance issues that require immediate attention.	2	**MEDIUM RISK**	Control weaknesses that are not critical but require planned action at the earliest opportunity.	3	**LOW RISK**	Minor issues on which action should be taken or monitored as part of continuous improvement.

2

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Root Cause Indicator	Finding	Suggested Action	Management Comments
1	Risk Mitigation	It was noted that the current 3x3 risk scoring system may not always capture nuanced differences in risk levels, particularly when a risk's likelihood and impact fall between distinct scores. Consideration to a wider map would allow for greater precision in assessing and communicating risk levels, reducing the potential for over- or under-representation. As Drainage Boards' activities may affect environment and infrastructure, it is crucial that risks are scored and assessed effectively.	Consideration be given to using a 4x4 (or higher) risk matrix to ensure risk scores better represent the actual likelihood and potential impact of the risk occurring.	*Risk registers are under review and changes will be made within the year.*

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	**Governance Framework**	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	Partially in place	2 & 3	-
RM	**Risk Mitigation**	The documented process aligns with the mitigating arrangements set out in the corporate risk register.	Partially in place	1	1
C	**Compliance**	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-
PM	**Performance Monitoring**	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	In place	-	-
S	**Sustainability**	The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	**Resilience**	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Information

The Water Management Alliance (WMA) consists of the following seven Boards: Broad (BIDB); East Suffolk (ESWMB); King's Lynn (KLIDB); Norfolk Rivers (NRIDB); South Holland (SHIDB); Waveney, Lower Yare and Lothingland (WLYL); Pevensey and Cuckmere (PCWMB).

Three Board meeting agendas, minutes and report packs from throughout 2025 were reviewed for each Board. All were found to be comprehensive and demonstrated good governance. Decisions and actions had been followed through including the approval of drainage rates for each board.

Other Information

The WMA has complied with the publication requirements as stated by the Accounts and Audit Regulations 2015 including publication of the Annual Governance and Accountability Return, Auditor's Certificate/Report and Statement of Accounts.

The Risk Management Policy was last reviewed in September 2021 and has a five-year review period. The Policy applies to and has been adopted by all seven Boards in the Alliance.

Each Board reviews its objectives and sets new objectives for the following financial year at their rate setting meetings in January/February. This is confirmed in each Board's minutes which are available on the WMA website.

The WMA use Sage 200 accounting software for their accounting records which supports the financial transactions of the Boards. The Nominal Ledger Trial Balance and Balance Sheet (dated February 2026) for all seven Boards were reviewed and found to be in balance with a positive net asset that has increased from the previous year. In addition, the Income and Expenditure accounts were reviewed for all seven Boards and found to be in order, noting an increasing trend in profit compared to previous years.

Accounts payable are managed using Sage 200 Accounting Software. All procurement of goods and services are to be authorised in line with the thresholds stated in the Financial Regulations, by the raising, signing and dating an official purchase order (PO). Quotes/tenders, delivery notes, invoices for payment and credit notes are all matched to the corresponding PO and confirmed as correct prior to payment.

The five greatest payments of the year were selected across the seven Boards and reviewed in detail. Each Board provided a PO (if applicable), invoice, nominal ledger entry, payment run and bank statement for each payment. All were found to reconcile and had been authorised accordingly demonstrating good accounting practices with adequate controls and approvals in place.

Drainage rates and special levies are set and sealed by each Board at their January/February meeting annually. Many of the Boards also receive Environment Agency contributions, Grant income and Tranche Funding Grant income.

Accounts receivable is managed using Sage 200 Accounting Software. The Chief Financial Officer (CFO) is responsible to the Chief Executive for raising and collecting sundry debts due and shall ensure that all debts are substantially collected within 30 days from the Debtor Invoice tax point date. The Chief Financial Officer (CFO) shall advise the Chief Executive of any debt that becomes 3 months overdue or whenever a debt becomes doubtful, whichever earlier. Aged Debtor reports dated February 2026 were reviewed for all Boards and no significant aged debts were identified.

All seven boards use the same write-off procedure as detailed in the Financial Regulations. The Chief Executive has authority to write off debts up to £2,000, surplus goods, damaged/stolen goods and obsolete goods. Budget holders and other staff must inform the Chief Executive of any material item they consider should be written off. The Responsible Financial Officer must ensure appropriate adjustments are made to the accounting records where a write-off constitutes part of a stock account.

The CFO is responsible to the Chief Executive for the proper compilation of the payroll(s). Each Board operate an individual payroll (excluding ESIDB; PCWMB and WLYL as these Boards have no employees) and the WMA operate a separate payroll for shared staff, such as administration staff.

Other Information

Payrolls for the month of December 2025 were examined and found to be in order including both employee and employer deductions. Review of PAYE and NI invoices and the corresponding BACS runs and Bank Statements for all applicable Boards confirmed payments were made as required for December 2025. Review of the pension invoices for each board shows employee and employer pension contributions have been made to the respective pension providers as required for December 2025. Each payment was reconciled to the corresponding BACS run and bank statement.

The Asset Register for each Board was reviewed and found to be in order, up to date and included details on original purchase, revaluation, depreciation and net book value.

Accounting Statements have been undertaken and reconciled to the cash book for each Board with no unreconciled sums. Bank reconciliations for period January 2026 were reviewed and it was confirmed all Boards' bank accounts were accurately reconciled to the cash book

Management accounts, including budget data, are reported at each Board meeting as evidenced by the corresponding minutes.

The WMA's Capital Financing and Reserves Policy was approved in September 2022 and is to be reviewed every five years. General Reserves should be no less than 20% of net expenditure, therefore, the Boards aim to maintain a general reserve of no less than £200k at the end of every financial year. Due to high inflation, many other Drainage Boards in the East Anglia area have been looking to increase their general reserve capacity to 30% of net expenditure. While the WMA's Boards have not built up their reserves to this capacity during the same time-frame (due to the increase in rates and levies that would be required), the Policy is due for review in September 2027 - presenting a good opportunity to formally consider increasing General Reserve Capacity.

The Boards maintain an indicative five-year forecast which enables future increases in both the penny rate and precept to be calculated and for such bodies as the precepting authorities to be consulted well in advance of any increases being made. The forecast is presented to each Board at the annual January/February rate setting meeting.

The Financial Regulations state the Chief Financial Officer is responsible for ensuring that all monies received are properly recorded in the Member Board's accounting records. Cheques are banked daily using Online Banking. Cheques and cash that cannot be banked in this manner are banked at least weekly.

2024/25 year-end bank reconciliations for all Member Boards for confirmed to have been completed and verified with no unreconciled sums.

Total expenditure for 2025/26 as at the most recent published Board Meetings was within budget, except for NRIDB and SHIDB due to rechargeable works. This was raised as a routine recommendation during the 2024/25 AGAR where it was noted that these types of works are volatile, making estimates particularly challenging which could result in distorted budgets should the recommendation be actioned. Internal audit is satisfied that the recommendation has been considered, and that the finding presents no material control risk as the expenditure is offset by rechargeable income.

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Assignment Engagement Details

3.

TIAA Auditors	Title	Contact Email
William Railton	Auditor	William.railton@tiaa.co.uk
David Robinson	Director of Audit	David.robinson@tiaa.co.uk

Effectiveness of arrangements

4. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

5. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

6. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

7. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	10th February 2026	10th February 2026
Draft Report:	22nd April 2026	
Revised Draft Report:	23rd April 2026	24th April 2026
Final Report:	24th April 2026	

Waveney, Lower Yare and Lothingland
Drainage Board

From:	**01 April 2025**	**Period:**	**12**
To:	**31 March 2026**	**Year Ending:**	**31 March 2026**

Notes	**Income and Expenditure Account**	**2024/25 Actual £**	**2025/26 Actual £**	**Annual Estimate £**
	Income:			
	Occupiers Drainage Rates	287,370	304,529	304,529
1	Special Levies issued by the Board	500,997	531,603	531,603
	Grants Applied	3,887,370	17,914,573	14,523,232
	Tranche Funding Grant	327,267	0	0
2	Highland Water Contributions	289,946	266,349	220,306
3	Income from Rechargeable Works	154,946	20,792	0
	Investment Interest	162,448	1,305,073	0
	Development Contributions	11,146	283	0
4	Other Income	296,719	364,787	270,167
	Total Income	**£5,918,209**	**£20,707,990**	**£15,849,837**
	Less Expenditure:			
5	Capital Works	3,887,370	17,914,573	14,523,232
6	Environment Agency Precept	93,569	94,505	96,376
7	Maintenance Works	953,408	840,527	1,090,888
	Tranche Expenditure	90,474	-1,474	0
	Interest Payments	1,414	1,144	0
8	Administration Charges	145,910	231,830	139,340
	Cost of Rechargeable Works	154,946	20,792	0
	Total Expenditure	**£5,327,092**	**£19,101,897**	**£15,849,837**
	Profit/(Loss) on disposal of Fixed Assets	£0	£0	£0
	Net Surplus/(Deficit)	**£591,117**	**£1,606,093**	**£0**
	Actuarial Gains/(Losses) on pension assets/Liabilities	£0	£0	
	Total Comprehensive Income & Expenditure	**£591,117**	**£1,606,093**	

Notes	Balance Sheet as at 31-3-2026	2023/24 Closing Balance £	2024/25 Closing Balance £	2025/26 Closing Balance £
	Fixed Assets:			
9	Pumping Stations/Outfall Structures	2,717,000	2,717,000	2,717,000
		2,717,000	**2,717,000**	**2,717,000**
	Current Assets:			
10	Bank Account	670,791	746,680	475,652
11	Trade Debtors	176,306	2,504	1,000,951
12	Term Deposits	3,715,000	28,315,000	32,600,000
	Drainage Rates and Special Levies Due	8,657	17,675	16,835
13	Prepayments to WMA	9,238	121,993	314
	Accrued Interest	45,358	31,690	67,696
	VAT Due	381,597	111,972	1,036,536
		5,006,947	**29,347,515**	**35,197,984**
	Less Current Liabilities:			
	Trade Creditors	295,003	174,678	104,904
	Accruals	101,003	294,512	446,665
24	Receipts Paid in Advance	37,511	1,083	45,966
	PWLB Loans due in less than one year	8,583	8,279	6,839
		442,100	**478,552**	**604,373**
	Net Current Assets	**4,564,847**	**28,868,963**	**34,593,610**
	Less Long Term Liabilities:			
	PWLB Loans due in more than one year	52,388	44,108	37,269
		52,388	**44,108**	**37,269**
	Net Assets	**£7,229,459**	**£31,541,855**	**£37,273,341**
20	**Reserves:**			
	Usable:			
14	General Reserve	102,466	0	451,669
16	Development Reserve	704,338	715,484	715,767
	Capital Works Reserve	0	524,029	524,029
18	Capital Works Accrued Interest Provision	102,745	228,291	1,359,031
19	Accrued Interest Provision	166,368	199,231	222,632
17	Langley Road & Pump Maint and Repairs Provision	11,668	11,668	11,668
15	Grants Reserve	3,424,873	27,146,152	31,271,546
		4,512,459	**28,824,855**	**34,556,341**
	Unusable:			
	Capital Adjustment Account	2,717,000	2,717,000	2,717,000
		2,717,000	**2,717,000**	**2,717,000**
	Total Reserves	**£7,229,459**	**£31,541,855**	**£37,273,341**

Cashflow Statement for the years ended 31st March 2025 & 31st March 2026

	2025	2026
Cash flows from Operating Activities		
Net surplus/(deficit) on the provision of services	£591,117	£1,606,093
(Increase)/decrease in debtors	£434,408	-£1,922,171
Increase/(decrease) in creditors	£50,423	£127,262
Prior Year Adj for Long Term WIP	£0	£0
Increase/(decrease) in Grants Received in Advance	£23,721,279	£4,125,393
(Increase)/decrease in accrued interest income	£0	-£36,005
(Increase)/decrease Prepayment to WMA	-£112,755	£121,679
Net cash flows from Operating Activities	**£24,684,472**	**£4,022,251**
Cash flows from Investing Activities		
Purchase of PPE	£0	£0
Sale of PPE	£0	£0
(Increase)/decrease in Assets Under Construction	£0	£0
Adjustment for Depreciation	£0	£0
Net cash flows from Investing Activities	**£0**	**£0**
Cash flows from Financing Activities		
Increase/(decrease) in PWLB less than 1 Year	-£304	-£1,441
Increase/(decrease) in PWLB more than 1 Year	-£8,279	-£6,839
Net cash flows from Financing Activities	**-£8,583**	**-£8,279**
Net Increase/(Decrease) in cash and cash equivalents	**£24,675,889**	**£4,013,972**
Cash and Cash Equivalents at the beginning of the reporting period	£4,385,791	£29,061,680
Cash and Cash Equivalents at the end of the reporting period	**£29,061,680**	**£33,075,652**

Waveney, Lower Yare and Lothingland Drainage Board

Statement of Accounting Polices

Basis of Financial Statement and Accounting Policies

The Statement of Accounts have been prepared in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdon 2025/26 (the Code).

Waveney Lower Yare and Lothingland IDB's accounting policies are the principle, bases, conventions, rules and practices applied that specify how the effects of transactions and other events are to be shown in its financial statements through recognising, selecting measurement bases for and presenting assets, liabilities, gains, losses and changes in reserves. It has adopted the following accounting policies which should be read in conjuction with the financial statements.

The accounting policies set out below have been applied consistently to all periods presented in this statement of accounts.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Critical Judgements In Applying Accounting Policies:

In applying the accounting policies the IDB has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

None.

Estimation Uncertainty:

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The key judgements and estimation uncertainty that have a significant risk of causing material adjustments within the carrying amounts of assets and liabilities within the next financial year are:

None.

Accruals:

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation.

Provisions:

A provision is recognised if, as a result of a past event, WLYLIDB has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Cash and Cash Equivalants:

Cash and cash equivalents comprise cash balances and call deposits with original maturities of 12 months or less. All maturities can be withdrawn with 24 hours notice with no reduction in the principal value invested, should withdrawal be required.

Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity, and a financial liability or equity instrument of another entity. The term Financial Instrument encompasses equity instruments, financial assets and financial liabilities.

The only financial assets held are receivables. Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Each financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

Financial liabilities are recognised on the Balance Sheet when the IDB becomes party to the contractual provisions of a financial instrument. Long term loans (PWLB) are shown in the balance sheet as the capital element outstanding at theyear end, split between amounts due in the current year and amounts due outside of the year. Any interest paid is taken directly to the income and expenditure account.

Government Grants:

conditions have been met, if these have not yet been met these funds are held in the Grant Reserve.

Income Recognition:

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

Taxation:

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

Fixed Assets:

Fixed assets are recognised as expenditure on acquisition, creation or enhancement of fixed assets. Assets with estimated useful lives in excess of 1 one year and a value of £5,000 or above are capitalised on an accruals basis in the accounts.

Disposals are written off at cost less depreciation. Any surplus/deficit is charged/credited to Profit/Loss on Disposal in the Income and Expenditure Account.

Depreciation would be provided for using the straight line method.

The useful lives of the various items on the Fixed Asset Register are as follows:

Pumping Stations - No Depreciation

Pumping Stations/Outfalls have been subject to revaluations, which are shown in the Revaluation Reserve account. These will be reviewed regularly so that the carrying amount does not materially differ from its fair value at the balance sheet date.

Revaluation Reserve:

Gains and losses arising on the revaluation of assets are credited or debited to the Revaluation Reserve. The reserve cannot be used for any other purpose.

General Reserve:

The Association of Drainage Authorities guidance recommends that the General Reserve held by the Board is 20-25% of estimated net expenditure. Year end surplus and deficits are taken to the

Development Reserve:

The purpose of this Reserve is to reduce the impact on drainage rates from development that takes place in the area. The Board charges developers a standard rate per impermeable hectare for agricultural land which is developed and becomes a hard standing area, such as housing, roadways etc. The money is credited to this Reserve and then used to reduce the gross cost of capital work needed to cater for the additional flows arising from such development. The income for this reserve therefore comes exclusively from developers and is used to fund in part improvement works that are necessary because of development.

Plant/Langley Road & Pump Reserve:

The purpose of this reserve is to reduce the impact on drainage rates and special when pumping plant/sluices require refurbishment or improvement.

Capital Works Reserve:

The purpose of this reserve is to reduce the impact on drainage rates and special when pumping plant/sluices require refurbishment or improvement.

Capital Works Accrued Interest Provision:

The purpose of this provision is to ringfence the interest made on monies held for the Pumping Station replacement. This can be used to offset against any additional costs incurred such as resource, auditing and valuation fees due to moving to the Principal Authority audit regime and also for any risk of inflationary or programme costs causing an unfunded overspend against the scheme.

Accrued Interest Provision:

The purpose of this provision is to ringfence the interest accrued on monies held in the Development and Plant reserves.

Additional Disclosures

First Time Adoption of IFRS

The Statement of Accounts for 2025-26 was the first to be prepared on an IFRS basis.

The accounting policies detailed have been applied to the financial statements for the year ended 31st March 2026, the comparative information and the opening statement of financial position at the date of transition.

Material differences between amounts presented are explained below.

IFRS Adjustments

None

Current Borrowing Facilities and Capital Borrowing

The Authority had three loans from the United Kingdon Debt Management Office via Public Works Loan Board (PWLB) within the reporting period. The PWLB has advised that the fair value of the debt at 31st March 2026 is £44,108. There are only two loans remaining at the end of the reporting period.

Expenditure and Funding Analysis

Waveney Lower Yare and Lothingland IDB manages it activities and reports as a single operational unit, and as such no operational segmentation is provided in these Statement of Accounts.

Waveney Lower Yare and Lothingland IDB has not acquired or discontinued any operations in the year to 31st March 2026.

Events After The Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporing period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

1) Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.

2) Those that are indicative of conditions that arose after the reporting period - the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

Financial Risk Management

Waveney Lower Yare and Lothingland IDB has exposure to the following risks from its use of financial instruments:

1) Credit risk
2) Liquidity risk
3) Market risk
4) Operational risk

This note presents information about Waveney Lower Yare and Lothingland's IDB's exposure to each of the above risks, the objective, policies and processes for measuring and managing risk, and management of capital. Further quantitative disclosures are included throughout these Statement of Accounts.

Risk Management Framework

The risk management framework is set out in the Annual Governance Statement of these Statement of Accounts.

Credit Risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations.

Liquidity Risk

Liquidity risk is the risk that Waveney Lower Yare and Lothingland's IDB will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Waveney Lower Yare and Lothingland IDB's approach to managing liquidity risk is to only commit to financial instruments that can be funded from the available cash resouces at

Market Risk

Market risk is the risk that changes in market prices such as interest rates will affect Waveney Lower Yare and Lothingland's IDB's income or the value of its financial instruments.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with Waveney Lower Yare and Lothingland IDB's processes or personnel, technology and infrastructure risks, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Capital Management

Waveney Lower Yare and Lothingland's IDB's policy is to maintain a strong capital base so as to maintain stakeholder confidence and to sustain the future development and long term viability of the organisation.

Waveney, Lower Yare and Lothingland Drainage Board

From:	**01 April 2025**	**Period To:**	**12**
To:	**31 March 2026**	**Year Ended:**	**31 March 2026**

Note **Notes to the Accounts**

1 Special Levies due from constituent Billing Authorities are as follows:

	Y-T-D BUDGET	Y-T-D 2025/26
Breckland District Council	1,099	1,099
Broadland District Council	770	770
East Suffolk Council	36,847	36,847
Great Yarmouth Borough Council	309,977	309,977
Mid Suffolk District Council	21,527	21,527
South Norfolk District Counil	161,383	161,383
	531,603	**531,603**

2 The EA Highland Water Claim for 2025/26 has been paid in full.

3 There have been a small amount of rechargeable works completed in this financial year.

4 Other income is made up as follows:

	Y-T-D BUDGET	Y-T-D 2025/26
Shared Income from WMA	270,167	359,385
Sundry Income	0	2
Haddiscoe Road Repairs	0	3,000
Court Summons	0	2,400
	270,167	**364,787**

5 The gross cost of each capital scheme is approved by the Board annually and detailed on the schedule of capital works as managed by the Project Delivery Manager, which can be made available to members on request. The Grants Due/(Unapplied) also correspond with the figures shown on the Balance Sheet.

6 The EA Precept due for 2025/26 is payable to the EA on 31 May and the other half is payable to them on 30 November. The Board has no idea where or how this money is spent.

	Y-T-D BUDGET	Y-T-D 2025/26
Contributions Payable to the Environment Agency	96,376	94,505
	96,376	**94,505**

Waveney, Lower Yare and Lothingland Drainage Board

From:	**01 April 2025**	**Period To:**	**12**
To:	**31 March 2026**	**Year Ended:**	**31 March 2026**

Note **Notes to the Accounts**

7 Detailed maintenance operations are approved by the Board annually and shown on the Operations map, together with the schedule of maintenance works for each catchment, which can be made available to members on request. Expenditure is analysed as follows:

	Y-T-D BUDGET	**Y-T-D 2025/26**
Materials	0	10,070
Pump Attendants	48,966	50,911
Electricity	338,831	175,640
Telemetry	1,014	1,014
Insurance	27,420	26,081
Contractors	239,455	235,987
Surveyors	27,109	21,014
Plant Hire & Transport	20,000	25,560
PWLB Repayment	9,706	0
Direct Works	**712,501**	**546,276**
Technical Support Staff Costs	253,226	257,216
Other Technical Support Costs	33,945	33,560
Deficit Recovery Payment	91,216	0
Biodiversity Action Plan Costs	0	3,475
Maintenance Works	**1,090,888**	**840,527**

8 Administration charges are detailed below:

	Y-T-D BUDGET	**Y-T-D 2024/25**
Administration Fee	95,098	99,599
Other Administration Costs	44,242	112,512
Drainage Rates AV Increases/(Decreases)	0	18,344
Settlement Discount	0	975
	139,340	**231,830**

9

Cost	**Land and Buildings**	**Pumping Stations**	**Total**
Opening Balance as at 1-4-2025 b/fwd	0	2,717,000	2,717,000
(+) Revaluations	0	0	0
(+) Additions	0	0	0
(-) Disposals	0	0	0
(=) Closing Balance as at 31-3-2026 c/fwd	**0**	**2,717,000**	**2,717,000**
Depreciation			
Opening Balance as at 1-4-2025 b/fwd	0	0	0
(+) Depreciation Charge for year	0	0	0
(-) Accumulated Depreciation written out on disposal	0	0	0
(=) Closing Balance as at 31-3-2026 c/fwd	**0**	**0**	**0**
Net Book Value as at 31-3-2025	**0**	**2,717,000**	**2,717,000**
Net Book Value as at 31-3-2026	**0**	**2,717,000**	**2,717,000**

Waveney, Lower Yare and Lothingland Drainage Board

From:	**01 April 2025**	**Period To:**	**12**
To:	**31 March 2026**	**Year Ended:**	**31 March 2026**

Note **Notes to the Accounts**

10 Additional sums are now being invested on the short term money market to maximise the return on the working balances, in accordance with the Board's Investment Policy. The Bank Account is reconciled as follows:

	2024/25	**2025/26**
Opening Balance as at 1-4-2025 b/fwd	670,791	746,680
(+) Receipts	57,933,914	37,688,080
(-) Payments	-57,858,024	-37,959,108
(=) Closing Balance as at 31-3-2026 c/fwd	**746,680**	**475,652**
Balance on Statement as at 31-3-2026	746,596	475,556
Less: Unpresented payments	0	0
Add: Unpresented receipts	84	96
Closing Balance as at 31-3-2026 c/fwd	**746,680**	**475,652**

11 Aged Debtor profile is currently as follows:

Debt period	**Amount**	**Number of Debtors**
<=30 days	1,000,951	2
>30 days and <=60 days	0	0
>60 days and <=90 days	0	0
>90 days	0	0
	1,000,951	**2**

>90 days	**Amount**	**Inv. Date**	**Originator**
	0		
	0		

12 Term Deposits are currently as follows:

Financial Institution	**Capital**	**Investment Date**	**Maturity Date**	**Variable Interest Rate**
Saffron Building Society	750,000	14/10/25	14/04/26	3.90%
Newbury Building Society	1,000,000	14/01/26	14/04/26	3.80%
Newcastle Building Society	500,000	14/01/26	14/04/26	3.80%
Newcastle Building Society	500,000	14/01/26	14/04/26	3.80%
Melton Mowbray Building Society	1,000,000	13/03/26	14/05/26	4.10%
Nottingham Building Society	500,000	13/03/26	14/05/26	3.75%
Cambridge Building Society	500,000	31/03/26	14/05/26	3.75%
West Bromwich Building Society	350,000	30/03/26	28/05/26	3.67%
Vernon Building Society	500,000	30/03/26	28/05/26	3.73%
West Bromwich Building Society	500,000	31/03/26	27/08/26	3.87%
Cambridge Building Society	1,000,000	24/03/26	29/06/26	3.85%
Furness Building Society	1,000,000	24/03/26	29/06/26	4.00%
Progressive Building Society	1,000,000	24/03/26	29/06/26	4.00%
Cambridge Building Society	2,000,000	27/03/26	25/03/27	4.25%
Dudley Building Society	2,000,000	27/03/26	25/03/27	4.25%
Furness Building Society	2,000,000	27/03/26	25/03/27	4.25%
Leek United Buidling Society	2,000,000	27/03/26	25/03/27	4.10%
Melton Mowbray Building Society	2,000,000	27/03/26	25/03/27	4.40%
National Counties Building Society	2,000,000	27/03/26	25/03/27	4.25%
Newbury Building Society	2,000,000	27/03/26	25/03/27	4.25%
Newcastle Building Society	2,000,000	27/03/26	25/03/27	4.25%
Nottingham Building Society	2,000,000	27/03/26	25/03/27	4.25%
Progressive Building Society	2,000,000	27/03/26	25/03/27	4.25%
Saffron Building Society	2,000,000	27/03/26	25/03/27	4.25%
National Counties Building Society	1,000,000	31/03/26	31/03/27	4.28%
Vernon Building Society	500,000	31/03/26	31/03/27	3.90%
	32,600,000			

Waveney, Lower Yare and Lothingland Drainage Board

From:	**01 April 2025**	**Period To:**	**12**
To:	**31 March 2026**	**Year Ended:**	**31 March 2026**

Note **Notes to the Accounts**

13 There has been a small prepayment made to the Water Management Alliance for services received.

14 Movements on the General Reserve are made up as follows:

	2024/25	2025/26
Opening Balance, as at 1-4-2025 b/fwd	102,466	0
Net Surplus/(Deficit) for the year	591,117	1,606,093
Net transfer (to)/from Development Reserve	-11,146	-283
Net transfer (to)/from Capital Works Interest Reserve (Intt Received)	-125,546	-1,200,740
Net transfer (to)/from Capital Works Interest Reserve (PAAA Costs)	0	70,000
Net transfer (to)/from Accrued Interest Reserve	-32,862	-23,401
Transfer to Capital Works Reserve (01 April 2025)	-524,029	0
Closing Balance, as at 31-3-2026 c/fwd	**0**	**451,669**

15 **Grants Reserve**

Movements on the Grants Reserve are made up as follows:

	2025/26
Opening Balance, as at 1-4-2025 b/fwd	27,146,152
Add: Grant Received	22,039,966
Less: Grant Applied	-17,914,573
Closing Balance as at 31-3-2026	**31,271,546**

		2024/25	2025/26
SCH02	Norton & Raveningham Water Mgmt Improvement Scheme	0	0
SCH03	Lower Waveney WLMI FCERM7 Study	53,727	8,950
SCH04	Norton & Raveningham WMIS	1,293,209	816,271
SCH05	Benacre and Kessingland Flood Risk Management Scheme	25,775,060	30,422,168
SCH06	Shimpling Natural Flood Management Scheme	24,156	24,156
		27,146,152	**31,271,546**

16 **Development Reserve**

	2024/25	To/(From)	2025/26
Burgh Castle	472,086	0	472,086
Gravitational Level	53,000	0	53,000
Norton South	259	0	259
Waveney Valley	10,887	0	10,887
Haddiscoe	5,874	0	5,874
Capital Receipt WHAM	173,379	0	173,379
Gravity Area (SD4)	0	283	283
	715,484	**283**	**715,767**

17 **Langley Road & Pump Maint and Repairs Provision**

	2024/25	To/(From)	2025/26
Langley Pump Repair Replacement Fund	11,668	0	11,668
Langley Road Maintenance Fund	0	0	0
	11,668	**0**	**11,668**

18 **Capital Works Interest Reserve**

	2024/25	2025/26
Opening Balance, as at 1-4-2025 b/fwd	102,745	228,291
Net transfer (to)/from General Reserve (Intt Received)	125,546	1,200,740
Net transfer (to)/from General Reserve (PAAA Costs)	0	-70,000
Closing Balance as at 31-3-2026	**228,291**	**1,359,031**

19 **Accrued Interest Provision**

	2024/25	To/(From)	2025/26
Burgh Castle	131,505.60	15,247	146,752.49
Worlingham	16,668.27	4,801	21,469
Gravitational Level	49,486.22	2,589	52,075
Norton South	0.00	7	7
Waveney Valley	0.00	275	275
Haddiscoe	484.33	161	645
Langley Pump Repair Replacement Fund	1,086	322	1,409
	199,231	**23,401**	**222,632**

Waveney, Lower Yare and Lothingland Drainage Board

From:	**01 April 2025**	**Period To:**	**12**
To:	**31 March 2026**	**Year Ended:**	**31 March 2026**

Note **Notes to the Accounts**

20 The Reserves are managed in accordance with the Capital Financing and Reserves Policy, as approved by the Board in February 2021. This policy is available for viewing on the Board's website.

21 The purpose of the Development Reserve is to reduce the impact on drainage rates and special levies from development that takes place in the area. The Board charges developers a standard rate per impermeable hectare for agricultural land which is developed and becomes a hard standing area, such as housing, roadways etc. The money is credited to this Reserve and then used to reduce the gross cost of capital work needed to cater for the additional flows arising from such development. The income for this Reserve therefore comes exclusively from developers and is used to fund in part improvement works that are necessary because of development.

22 **Related Party Transactions**

(i) Mr H Thomson-Carrie is the Chairman of the Waveney, Lower Yare and Lothingland IDB. The Chair has received a total of £3,500.00 Chairman's Allowance for the period 01 April 2025-31 March 2026.

(ii) Mr H Thomson-Carrie is paid as a pump attendant and surveyor for the Waveney Lower Yare and Lothingland IDB.

(iii) Mr D Burroughs is paid as a pump attendant and surveyor for the Waveney Lower Yare and Lothingland IDB.

(iv) Mr C Burton is paid as a surveyor for the Waveney Lower Yare and Lothingland IDB.

(v) Mr J Brown is paid as a pump attendant for the Waveney Lower Yare and Lothingland IDB.

23 **Financial Instruments**

	2024/25	2025/26
Financial Assets: Cash at Bank	£746,680	£475,652
Financial Assets: Investments	£28,315,000	£32,600,000
Financial Assets: Debtors (Incl Accrued Intt)	£285,835	£2,122,332
	£29,347,515	£35,197,984
Financial Liabilities: Creditors	£470,272	£597,535
Financial Liabilities: PWLB (Less than 12 Months)	£8,279	£6,839
Financial Liabilities: PWLB (More than 12 Months)	£44,108	£37,269
	£522,660	£641,643
Interest Expense: (On PWLB)	£1,414	£1,144
	£1,414	£1,144

Fair Value of Assets and Liabilities

The fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments. The following assumptions should be noted:

1) Fixed Interest Rate of 4.60% for PWLB loan ending 13/04/2027, 2.13% for PWLB loan ending 15/01/2034 and 5.5% for the PWLB loan which ended within the reporting period;
2) No early repayment or impairment is recognised; and
3) The fair value of trade and other receivables is taken to be invoiced or billed amount

24 **Receipts Paid in Advance**

These are payments received by drainage ratepayers in the period 01.04.25 to 31.03.26, relating the the following financial year.

25 **Going Concern**

These accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the Code), which is based upone International Financial Reporting Standards (IFRS), as amended for the UK Public Sector. These accounts have been prepared on a Going Concern Basis.

Waveney, Lower Yare and Lothingland
Drainage Board

Glossary of Terms

Accounting period
The period of time covered by the accounts, a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

Accounting policies
The basis on which an organisation's financial statements are based to ensure that those statements 'present fairly' the financial position and transactions of that organisation. Accounting concepts include 'materiality', 'accruals', 'going concern' and 'primacy of legislative requirements'.

Accruals
Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

Actuarial gains and losses
These may arise on both defined benefit pension scheme liabilities and assets. A gain represents a positive difference between the actuarial assumptions and actual experience (e.g. liabilities during the period were lower than estimated). A loss represents a negative difference between the actuarial assumptions and actual experience (e.g. liabilities during the period were higher than estimated).

Amortisation
The measure of the wearing out, consumption, or other reduction in the useful economic life of an intangible long term asset.

Amortised cost
This is cost that has been adjusted for amortisation.

Asset
An item owned by the Authority which has a value, for example, premises, vehicles, equipment, cash.

Budget
The statement of the Authority's policy expressed in financial terms usually for the current or forthcoming financial year. The Revenue Budget covers running expenses (see also: revenue income and expenditure), and the Capital Budget plans for asset acquisitions and replacements (see also: capital income and expenditure).

Capital income and expenditure
Expenditure on the acquisition of a long term asset, which lasts normally for more than one year, or expenditure which adds to the life or value of an existing long term asset.

Capital financing
Funds raised to pay for capital expenditure. There are various methods of financing capital expenditure, including borrowing, leasing, direct revenue financing, useable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

Cash equivalents
These are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Equivalents are held for the purpose of meeting short term cash commitments rather than for investment purposes.

Chartered Institute of Public Finance and Accountancy (CIPFA)
The Chartered Institute of Public Finance and Accountancy (CIPFA) is the professional accountancy institute that sets the standards for the public sector. CIPFA publishes the Accounting Codes of Practice for local government.

Code of practice on local authority accounting (the Code)
Based on International Financial Reporting Standards, the Code aims to achieve consistent finanical reporting between all English local authorities and National Park Authorities. It is based on generally accepted accounting standards and practices.

Contingent liabilities
Potential costs that the Authority may incur in the future because of something that happened in the past.

Creditors
Amounts owed by the Authority for goods and services provided for which payment has not been made at the end of the financial year.

Current value
This is the cost of an asset if bought in the current year.

Debtors
Sums of money due to the Authority but not received at the end of the financial year.

Deficit
Arises when expenditure exceeds income or when expenditure exceeds available budget.

Depreciation
The measure of the wearing out, consumption, or other reduction in the useful economic life of a long term asset.

Expected return on pension assets
For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

Fair value
The price at which the Authority could buy or sell an asset in a transaction with another organisation, less any grants received towards buying or using that asset.

Financial asset
A right to future economic benefits.

Financial instrument
Any contract that gives rise to a financial asset in one organisation and a financial liability in another.

Financial liability
An obligation to transfer economic benefits.

Finance lease
A lease which transfers all of the risks and rewards of ownership of a long term asset to the lessee. Where these leases are entered into, the assets acquired have to be included with the Authority's long term assets in the balance sheet at the market value of the asset involved (see also: operating lease).

Long term assets
Assets that yield benefits to the Authority and the services it provides for a period of more than one year.

Government grants
Grants paid by the Government. These can be for general expenditure or a particular service or initiative.

Historic cost
The cost of an asset when originally bought.

IAS19 retirement benefits
An International Financial Reporting Standard which requires local authorities to reflect the true value of the assets and liabilities relating to the Pension Fund in their financial statements.

Impairment
A reduction in the value of a long term asset to below its carrying amount in the Balance Sheet. Impairment of an asset is caused either by a consumption of economic benefits e.g. physical damage (fire at a building) or a deterioration in the quality of the service provided by the asset, or by a general fall in prices of that particular asset or type of asset.

Infrastructure assets
Long term assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

Intangible assets
Intangible assets are non-financial long term assets that do not have physical substance but are identifiable and are controlled by the Authority through custody or legal rights.

International Financial Reporting Standards (IFRS)
International Financial Reporting Standards (IFRS) are issued by the International Accounting Standards Board. All local authorities apply international accounting regulations when preparing accounts. The Authority's accounts follow these standards where they apply to local authorities.

Liability
An obligation to transfer economic benefits. Current liabilities are usually payable within one year.

Market price
This is the price at which another organisation is prepared to buy or sell an asset.

Net book value
The amount at which long term assets are included in the Balance Sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation.

Operating lease
A lease whereby the ownership of the asset remains with the leasing company and an annual rent is charged to the relevant service. The assets involved are not included within the Authority's long term assets in the balance sheet (see also: finance lease).

Outturn
The actual amount spent in the financial year.

Pension fund
A fund which makes pension payments on retirement of its participants.

Provision
An amount set aside to provide for a liability, which is likely to be incurred, but where the exact amount and the date on which it will arise are uncertain.

Reserves
An amount set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years.

Revenue income and expenditure
Expenditure which relates to day to day expenses, such as salaries and wages, general running expenses and the minimum revenue provision. Revenue income includes charges made for goods and services.

Surplus
Arises when income exceeds expenditure or when expenditure is less than available budget.

Value added tax (vat)
A tax on consumer expenditure, collected on business transactions at each stage in the supply, but ultimately borne by the final customer.

Variance / variation
A difference between budgeted income or expenditure and actual outturn, also referred to as an 'over-' or 'underspend'