



East Suffolk
Drainage Board

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING
31 MARCH 2015**

Kettlewell House
Austin Fields Industrial Estate
Kings Lynn
Norfolk
PE30 1PH



**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDING 31 MARCH 2015**

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From: 01 April 2014
To: 31 March 2015

Period: 12
Year Ending: 31 March 2015

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, as provided for in Regulation 12(b) of the Accounts and Audit Regulations 2011.
- (ii) The Board has completed this Statement of Accounts in accordance with the Financial Reporting Standard for Smaller Entities 2008 (FRSSE) issued by the Accounting Standards Board and has prepared an Annual Return, which smaller bodies are required to do, in accordance with Regulation 12(a) of the Accounts and Audit Regulations 2011, based on these Accounts.
- (iii) The Annual Return has been prepared in accordance with proper practices that are set out in Parts 1 to 3 of the Guidance published by the Association of Drainage Authorities in 2008. 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:

Land: not depreciated
Buildings: 20 years

From: 01 April 2014
To: 31 March 2015

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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.

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 5 sub districts and each one has its own General Reserve and Capital Reserve:

- (i) **General Reserves**
The Association of Drainage Authorities guidance recommends that the General Reserve held by the Board is 20% to 25% of estimated net expenditure. 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.

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NOTE	INCOME AND EXPENDITURE ACCOUNT	ACTUAL 2013/14 £	ACTUAL 2014/15 £	BUDGET 2014/15 £	VARIANCE £
<u>INCOME</u>					
1	Drainage Rates	135,029	137,056	137,056	0
2	Special Levies issued by the Board	136,306	138,358	138,358	0
3	Grants Applied	0	58,595	239,000	-180,405
4	Highland Water Contributions	100,383	85,364	74,642	10,722
5	Income from Rechargeable Works	33,305	114,125	0	114,125
6	Other Income	1,777	565	943	-378
Total Income		£406,800	£534,063	£589,999	-£55,936
<u>EXPENDITURE</u>					
7	Capital Works	0	58,738	239,000	180,262
8	Environment Agency Precept	69,806	71,691	71,691	0
9	Maintenance Works	134,267	162,124	199,338	37,214
10	Administration Charges	48,654	49,420	55,549	6,129
11	Cost of Rechargeable Works	33,305	112,251	0	-112,251
Total Expenditure		£286,032	£454,224	£565,578	£111,354
	Profit/(Loss) on disposal of Fixed Assets	0	0	0	0
Net Surplus/(Deficit) for the Year		£120,768	£79,839	£24,421	£55,418

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NOTE	BALANCE SHEET AS AT 31-3-2015	2013/14 £	MOVEMENT £	2014/15 £
12	Fixed Assets			
	Land and Buildings	207,459	-15,958	191,500
		207,459	-15,958	191,500
	Current Assets			
13	Cash at Bank and in Hand	144,791	-95,395	49,396
14	Short term Investments	300,000	400,000	700,000
15	Debtors and Prepayments	26,411	16,500	42,911
		471,202	321,105	792,307
	Current Liabilities			
16	Creditors and Receipts in Advance	52,799	238,503	291,302
17	Loans Repayable within the next 12 months	13,196	644	13,840
		65,995	239,148	305,143
	Net Current Assets	405,207	81,958	487,165
	Less Long Term Liabilities			
17	Long Term Borrowing	218,795	-13,840	204,955
		218,795	-13,840	204,955
	Net Assets	£393,871	£79,839	£473,710
18	Reserves			
	General Reserves	96,916	-7,667	89,249
	Capital Reserves	296,955	87,506	384,461
		393,871	79,839	473,710
	Reserves	£393,871	£79,839	£473,710

P J CAMAMILE
CHIEF EXECUTIVE

From: 01 April 2014
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Period: 12
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INCOME AND EXPENDITURE ACCOUNT	<u>RIVER DEBEN (PUMPED)</u>		<u>LOWER ALDE (PUMPED)</u>		<u>AHB (PUMPED)</u>		<u>BLYTH (PUMPED)</u>		<u>GRAVITY</u>		TOTAL	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
	£	£	£	£	£	£	£	£	£	£	£	£
INCOME												
Drainage Rates	31,422	31,422	60,159	60,159	12,495	12,495	8,205	8,205	24,775	24,775	137,056	137,056
Special Levies issued by the Board	27,730	27,730	10,039	10,039	0	0	132	132	100,457	100,457	138,358	138,358
Grants Applied	85,000	13,299	100,000	25,995	54,000	0	0	19,300	0	0	239,000	58,595
Highland Water Contributions	15,107	17,060	30,022	42,556	3,508	176	7,329	12,539	18,676	13,033	74,642	85,364
Income from Rechargeable Works	0	16,000	0	98,125	0	0	0	0	0	0	0	114,125
Other Income	321	100	263	130	79	35	48	26	232	274	943	565
Total Income	£159,580	£105,612	£200,483	£237,005	£70,082	£12,706	£15,714	£40,202	£144,140	£138,539	£589,999	£534,063
EXPENDITURE												
Capital Works	85,000	13,442	100,000	25,995	54,000	0	0	19,300	0	0	239,000	58,738
Environment Agency Precept	5,457	5,457	4,625	4,625	973	973	213	213	60,423	60,423	71,691	71,691
Maintenance Works	40,802	24,983	85,932	69,975	7,151	1,713	12,051	13,770	53,402	51,683	199,338	162,124
Administration Charges	6,666	5,930	7,221	6,425	2,222	1,977	1,111	988	38,329	34,100	55,549	49,420
Cost of Rechargeable Works	0	16,000	0	96,251	0	0	0	0	0	0	0	112,251
Total Expenditure	£137,925	£65,812	£197,778	£203,271	£64,346	£4,663	£13,375	£34,271	£152,154	£146,206	£565,578	£454,223
Profit/(Loss) on disposal of Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0
Net Surplus/(Deficit) for the Year	£21,655	£39,799	£2,705	£33,734	£5,736	£8,042	£2,339	£5,931	-£8,014	-£7,667	£24,421	£79,839

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STATEMENT OF MOVEMENT ON RESERVES	<u>RIVER DEBEN (PUMPED)</u>		<u>LOWER ALDE (PUMPED)</u>		<u>AHB (PUMPED)</u>		<u>BLYTH (PUMPED)</u>		<u>GRAVITY</u>		<u>TOTAL</u>	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
	£	£	£	£	£	£	£	£	£	£	£	£

GENERAL RESERVES

Opening Balances as 1-4-2014	14,619	24,259	16,232	31,283	6,666	5,053	4,234	7,211	24,646	29,110	66,397	96,916
Net Surplus/(Deficit) for the Year	21,655	39,799	2,705	33,734	5,736	8,042	2,339	5,931	-8,014	-7,667	24,421	79,839
Transfers (to)/from Capital Reserve	-21,776	-39,799	-2,705	-33,734	-5,751	-8,042	-2,373	-5,931	0	0	-32,605	-87,506

Closing Balances as at 31-3-2015	£14,498	£24,259	£16,232	£31,283	£6,651	£5,053	£4,200	£7,211	£16,632	£21,443	£58,213	£89,249
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CAPITAL RESERVES

Opening Balances as at 1-4-2014	109,143	109,143	85,085	85,085	23,769	23,769	14,322	14,322	64,636	64,636	296,955	296,955
Transfers (to)/from General Reserve	21,776	39,799	2,705	33,734	5,751	8,042	2,373	5,931	0	0	32,605	87,506

Closing Balances as at 31-3-2015	£130,919	£148,942	£87,790	£118,819	£29,520	£31,811	£16,695	£20,253	£64,636	£64,636	£329,560	£384,461
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NOTE NOTES TO THE ACCOUNTS

1 DRAINAGE RATES	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District	30,958	31,422	31,422	0
Lower Alde (Tidal Pumped) Sub District	59,269	60,159	60,159	0
AHB (Tidal Pumped) Sub District	12,311	12,495	12,495	0
River Blyth (Tidal Pumped) Sub District	8,084	8,205	8,205	0
Gravity Sub District	24,407	24,775	24,775	0
	135,029	137,056	137,056	0

2 SPECIAL LEVIES ON COUNCILS	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Suffolk Coastal District Council	27,320	27,730	27,730	0
Lower Alde (Tidal Pumped) Sub District:				
Suffolk Coastal District Council	9,891	10,039	10,039	0
River Blyth (Tidal Pumped) Sub District:				
Waveney District Council	130	132	132	0
Gravity Sub District:				
Babergh District Council	1,499	1,521	1,521	0
Ipswich Borough Council	31,744	32,223	32,223	0
Mid Suffolk Borough Council	33,656	34,163	34,163	0
Waveney District Council	2,581	2,620	2,620	0
Suffolk Coastal District Council	29,485	29,930	29,930	0
	98,965	100,457	100,457	0
	136,306	138,358	138,358	0

Special Levies are 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:

Capital Scheme	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Deben Estuary Partnership Scheme Development	0	12,925	50,000	-37,075
Bawdsey Pumping Station (Health & Safety Improvements)	0	117	5,000	-4,883
King's Fleet Pumping Station (Health & Safety Improvements)	0	0	5,000	-5,000
Falkenham Pumping Station (Health & Safety Improvements)	0	0	25,000	-25,000
Falkenham Marshes	0	257	0	257
	0	13,299	85,000	-71,701
Lower Alde (Tidal Pumped) Sub District:				
Alde & Ore Estuary Partnership Scheme Development	0	25,995	50,000	-24,005
Iken Pumping Station (Health & Safety Improvements)	0	0	25,000	-25,000
Sudbourne Pumping Station (Health & Safety Improvements)	0	0	25,000	-25,000
	0	25,995	100,000	-74,005
AHB (Tidal Pumped) Sub District:				
Colony Marsh Pumping Station (Health & Safety Improvements)	0	0	54,000	-54,000
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	19,300	0	19,300
	0	19,300	0	19,300

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NOTE NOTES TO THE ACCOUNTS

0 58,595 239,000 -180,405

4 HIGHLAND WATER CONTRIBUTIONS

- (i) This income comes from the Environment Agency in May and December 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 5 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:

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District	30,509	17,060	15,107	1,953
Lower Alde (Tidal Pumped) Sub District	46,722	42,556	30,022	12,534
AHB (Tidal Pumped) Sub District	2,144	176	3,508	-3,332
River Blyth (Tidal Pumped) Sub District	5,087	12,539	7,329	5,210
Gravity Sub District	15,921	13,033	18,676	-5,643
	100,383	85,364	74,642	10,722

5 INCOME FROM RECHARGEABLE WORKS

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Contribution towards sea wall reinstatement work at Kirton	0	16,000	0	16,000
Contribution towards sea wall reinstatement work at Waldringfield	0	0	0	0
	0	16,000	0	16,000
Lower Alde (Tidal Pumped) Sub District:				
Snape Village Tidal Wall Repair	0	68,125	0	68,125
Saltings Creation - Faggots	9,026	0	0	0
Contribution towards sea wall reinstatement work at Hazlewood	0	30,000	0	30,000
Contribution towards sea wall reinstatement work at Ham Creek	24,279	0	0	0
	33,305	98,125	0	98,125
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:				
N/A	0	0	0	0
	33,305	114,125	0	114,125

6 OTHER INCOME

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Investment Interest	316	100	321	-221
Other Income (WMA)	0	0	0	0
Summons Costs	0	0	0	0
	316	100	321	-221
Lower Alde (Tidal Pumped) Sub District:				
Investment Interest	410	130	263	-133
Other Income (WMA)	0	0	0	0

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Summons Costs	0	0	0	0
MOD Special Contribution	0	0	0	0
	410	130	263	-133
AHB (Tidal Pumped) Sub District:				
Investment Interest	109	35	79	-44
Other Income (WMA)	0	0	0	0
Summons Costs	0	0	0	0
	109	35	79	-44
River Blyth (Tidal Pumped) Sub District:				
Investment Interest	81	26	48	-22
Other Income (WMA)	0	0	0	0
Summons Costs	0	0	0	0
	81	26	48	-22
Gravity Sub District:				
Investment Interest	861	274	232	42
Other Income (WMA)	0	0	0	0
Summons Costs	0	0	0	0
	861	274	232	42
	1,777	565	943	-378

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 (17.77%), Lower Alde (23.08%), AHB (6.14%), River Blyth (4.54%) and Gravity (48.47%).

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:

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
Grant Aided Works				
River Deben (Tidal Pumped) Sub District:				
Deben Estuary Partnership Scheme Development	0	12,925	50,000	37,075
Bawdsey Pumping Station (Health & Safety Improvements)	0	260	5,000	4,740
King's Fleet Pumping Station (Health & Safety Improvements)	0	0	5,000	5,000
Falkenham Pumping Station (Health & Safety Improvements)	0	0	25,000	25,000
Falkenham Marshes	0	257	0	-257
	0	13,442	85,000	71,558
Lower Alde (Tidal Pumped) Sub District:				
Alde & Ore Estuary Partnership Scheme Development	0	25,995	50,000	24,005
Iken Pumping Station (Health & Safety Improvements)	0	0	25,000	25,000
Sudbourne Pumping Station (Health & Safety Improvements)	0	0	25,000	25,000
	0	25,995	100,000	74,005
AHB (Tidal Pumped) Sub District:				
Colony Marsh Pumping Station (Health & Safety Improvements)	0	0	54,000	54,000
River Blyth (Tidal Pumped) Sub District:				
Reydon Marsh Pumping Station (Health & Safety Improvements)	0	0	0	0
Reydon Marsh Pumping Station Improvement Scheme	0	19,300	0	-19,300
	0	19,300	0	-19,300
	0	58,738	239,000	180,262

- (ii) The Eel Regulations (England and Wales) 2009 place an obligation on operating authorities to ensure that pumping stations, inlets, sluices etc are regulation compliant. In 2012 it was agreed between the Environment Agency (Anglian Region) and the IDBs within that region to implement a joint region-wide consultancy contract to review the approx. 460 sites. A contract was awarded to Capita Symonds consultants to carry out a study and options appraisal for each of the priority sites within each IDB.
- (iii) Sites within the East Suffolk IDB are: Bawdsey, Kings Fleet, Falkenham, Sudbourne & Iken Pumping Stations.

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NOTE NOTES TO THE ACCOUNTS

- (iv) The protocol agreed was that each IDB would be awarded FDGiA, but that the consultancy would be managed by the EA, so in effect the grant payable was retained by the EA, so there was no cost to each IDB other than some non-grant eligible staff time. The East Suffolk IDB was thus 'awarded' £15,000 on 11th March 2015 under EA ref: IDB0359. This allowed approximately £3,000 per site +10% contingency, if required.

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:

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District	5,314	5,457	5,457	0
Lower Alde (Tidal Pumped) Sub District	4,503	4,625	4,625	0
AHB (Tidal Pumped) Sub District	947	973	973	0
Blyth (Tidal Pumped) Sub District	207	213	213	0
Gravity Catchments Sub District	58,835	60,423	60,423	0
	69,806	71,691	71,691	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 in the same way as Administration Costs). Maintenance work undertaken during this year and last year is summarised as follows:

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District	30,384	24,983	40,802	15,819
Lower Alde (Tidal Pumped) Sub District	57,077	69,975	85,932	15,957
AHB (Tidal Pumped) Sub District	4,868	1,713	7,151	5,438
Blyth (Tidal Pumped) Sub District	2,880	13,770	12,051	-1,719
Gravity Catchments Sub District	39,058	51,683	53,402	1,719
	134,267	162,124	199,338	37,214

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:

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
(ii) Shared Administration Staff Costs	35,158	35,854	36,517	663
Shared Establishment Charges	3,418	6,213	5,545	-668
Shared ICT Charges	2,305	1,992	2,124	132
Other Shared Administration Charges	3,251	3,388	3,425	37
Other Administration Charges	5,522	3,431	4,189	758
	49,654	50,878	51,800	922
(-) Sundry Income	-1,177	-1,692	-1,015	677
Net Consortium Charges	48,477	49,186	50,785	1,599

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NOTE NOTES TO THE ACCOUNTS

Sundry Consultancy Fees and Subscriptions	170	224	0	-224
Consultancy for Funding Initiative (River Deben, Lower Alde & AHB)	0	0	4,764	4,764
Consultancy (Lower Alde)	0	0	0	0
Drainage Rates Annual Value (Increases)/Decreases	7	10	0	-10
Other Expenses	177	234	4,764	4,530
Administration Charges	48,654	49,420	55,549	6,129

- (iii) Administration and Technical Support costs are apportioned to each of the Board's sub districts as follows: River Deben (12%), Lower Alde (13%), AHB (4%), River Blyth (2%) and Gravity (69%). The Consultancy for the funding initiative is apportioned to each of the 3 relevant sub districts according to their proportion of aggregate assessable value:

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District	5,838	5,930	6,666	736
Lower Alde (Tidal Pumped) Sub District	6,325	6,425	7,221	796
AHB (Tidal Pumped) Sub District	1,946	1,977	2,222	245
Blyth (Tidal Pumped) Sub District	973	988	1,111	123
Gravity Catchments Sub District	33,572	34,100	38,329	4,229
	48,654	49,420	55,549	6,129

11 COST OF RECHARGEABLE WORKS

	2013/14 Actual (£)	2014/15 Actual (£)	2014/15 Budget (£)	2014/15 Variance (£)
River Deben (Tidal Pumped) Sub District:				
Emergency Sea Wall Reinstatement Work: Kirton	0	16,000	0	-16,000
Waldringfield Tidal Defence Reinstatement Work	0	0	0	0
	0	16,000	0	-16,000
Lower Alde (Tidal Pumped) Sub District:				
Saltings Creation - Faggots	9,026	0	0	0
Snape Village Tidal Wall Repair	0	66,251	0	-66,251
Emergency Sea Wall Reinstatement Work: Ham Creek	24,279	0	0	0
Emergency Sea Wall Reinstatement Work: Hazlewood	0	30,000	0	-30,000
	33,305	96,251	0	-96,251
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:				
N/A	0	0	0	0
	33,305	112,251	0	-112,251

12 TANGIBLE FIXED ASSETS

	Land and Buildings	Total
Cost		
Opening Balance as at 1-4-2014	255,334	255,334
(+) Additions	0	0
(-) Disposals	0	0
Closing Balance as at 31-3-2015	255,334	255,334
Depreciation		
Opening Balance as at 1-4-2014	47,875	47,875

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NOTE NOTES TO THE ACCOUNTS

(+) Depreciation Charge for year	15,958	15,958
(-) Accumulated depreciation written out on disposal	0	0
Closing Balance as at 31-3-2015	<u>63,834</u>	<u>63,834</u>

Net Book Value at 31-3-2014	207,459	207,459
Net Book Value at 31-3-2015	191,500	191,500

(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 some of the WMA Office Equipment, which is recorded in the WMA's Fixed Asset Register as at 31 March 2015.

(ii) It should be noted that only 4 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.

13 CASH AT BANK AND IN HAND

	2013/14	2014/15
Opening Balance as at 1 April b/fwd	24,696	144,791
(+) Receipts	412,505	800,596
(-) Payments	-292,410	-895,991
(=) Closing Balance as at 31 March c/fwd	<u>144,791</u>	<u>49,396</u>
Balance on Statement as at 31 March	175,418	94,736
(-) Less: Unpresented Payments	-30,627	-45,340
(+) Add: Unpresented Receipts	0	0
(=) Closing Balance as at 31 March c/fwd	<u>144,791</u>	<u>49,396</u>

14 SHORT TERM INVESTMENTS

Short term Investments as at 31-3-2015 are as follows:

Financial Institution	Capital	Investment Date	Maturity Date	Variable Interest Rate
Natwest Treasury Reserve Deposit	300,000	24/10/2014	26/10/2015	0.83%
Holmesdale Building Society	400,000	15/01/2015	29/05/2015	0.60%
	<u>700,000</u>			

15 DEBTORS AND PREPAYMENTS

	2013/14	2014/15
Work in Progress (Iken: £1,936, Hazlewood: £4,898, Waldringfield: £37,025)	0	43,859
Trade Debtors	0	0
Drainage Rate Debtors	10,252	13,389
EA Grants Due	0	0
H M Revenue and Customs	4,985	2,536
Amounts owed from/(to) WMA	11,174	-16,872
	<u>26,411</u>	<u>42,911</u>

16 CREDITORS AND RECEIPTS IN ADVANCE

	2013/14	2014/15
Trade Creditors	2,010	33,485
Grants Unapplied	16,351	147,757
Accruals (BAP Work: £6,250, Pump Attendance: £14,555, Electricity: £2,005)	5,000	22,810
Payments received in advance (EA: HWC)	7,963	9,901
Payments received in advance (EA: Snape)	0	31,875
Payments received in advance (EA: Kirton)	0	24,000
Payments received in advance (EA: Iken)	21,475	21,475
	<u>52,799</u>	<u>291,302</u>

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NOTE NOTES TO THE ACCOUNTS

17 LOANS OUTSTANDING

	2013/14	2014/15
Loans Payable in next 12 months	13,196	13,840
Loans Payable in more than 12 months	218,795	204,955
	<u>231,991</u>	<u>218,795</u>

One of the Board's predecessors (Lower Alde IDB) took out 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.

18 RESERVES

	General Reserves	Capital Reserves	Total Reserves
Opening Balances as at 1-4-2014	96,916	296,955	393,871
Net Surplus/(Deficit) for the year	79,839	0	79,839
Transfers to/(from) Reserves	-87,506	87,506	0
Closing Balances as at 31-3-2015	<u>89,249</u>	<u>384,461</u>	<u>473,710</u>

- (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) It is important to note that the Board is a member of the Water Management Alliance Consortium and as such will also have a proportion of the pension liability for the shared staff that have been employed by King's Lynn IDB t/a "the Water Management Alliance" since joining the group on 1 April 2008. 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 £1,433,000 as at 31 March 2015 that is shared by all 5 Member Boards.

19 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 P Cooke (Stanny House Farm Partnership)	£525 Iken
Mr R Mann (Iken Hall Farms)	£680 Iken
Mr C J Mann (Mann Farms Ltd)	£1,000 Bawdsey
Sir E Greenwell (Greenwell Farms)	£2,100 Gedgrave
Mr R Pipe	£1,050 Hollesley, Colony Marsh
Mr A Hall	£1,000 Reydon
	<u>£6,355</u>

- (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)	£2,050 Butley
Mr R Skepper (Ferry Farm Co)	£2,100 Sudbourne
Mr G Watson (Chillesford Lodge Estate)	£1,150 Chillesford
Mr M Hollingsworth	£1,000 Falkenham
	<u>£6,300</u>

- (iii) Major J Greenwell (Capel St Andrew Farms) has been paid £4,200 for dredging work in the Lower Alde Sub-District during 2014/15. The Board's Chairman is Major J Greenwell's brother.
- (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 2014.
- (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 Vice-Chairman of the Board, and the Board Member 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

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NOTE NOTES TO THE ACCOUNTS

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 year ending 31 March 2015.
2. To approve the Accounting Statement shown in section 1 of the Annual Return for 2014/15.

P J CAMAMILE
CHIEF EXECUTIVE

M FUTTER
FINANCE OFFICER

From: 01 April 2014

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Year Ending:

Our ID	Capital Scheme	EA Ref.	GiA Level %	Actual 2009/10 2010/11 £	Actual 2011/12 2011/12 £	Actual 2012/13 2012/13	Actual 2013/14 2013/14	Actual 2014/15 2014/15	Annual Estimate 2014/15 2014/15 £	Variance (2014/15) (2014/15) £	Cumulative Gross Cost C/Fwd C/Fwd £	Approved Cost Cost £	Variance (adverse)/favourable (adverse)/favourable £	Grant Receivable Receivable £	Grant Received Received £	Grant Due/ (Unapplied) (Unapplied) £	Grant Applied 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	-688.72	0.00
SCH01	Health & Safety Improvement Works	IDB0203	45%	8,422.33	28,059.95	0.00	0.00	260.00	0.00	-260.00	36,742.28	39,000	2,257.72	16,534.03	17,550.00	-1,015.97	117.00
SCH03	Reydon Replacement Pump Study	IDB0219	45%	0.00	2,626.00	529.62	0.00	0.00	0.00	0.00	3,155.62	6,000	2,844.38	1,420.03	2,700.00	-1,279.97	0.00
SCH04	Reydon Replacement Pump Scheme	IDB0236	100%	0.00	0.00	72,750.00	0.00	19,300.00	0.00	-19,300.00	92,050.00	131,000	38,950.00	92,050.00	131,000.00	-38,950.00	19,300.00
SCH06	Alde Ore Estuary Tidal Defence	IDB0308	100%	0.00	0.00	0.00	0.00	25,995.30	50,000.00	24,004.70	25,995.30	50,000	24,004.70	25,995.30	50,000.00	-24,004.70	25,995.30
	Eel Regulations: Option appraisals for priority sites	IDB0359	100%	0.00	0.00	0.00	0.00	0.00	25,000.00	25,000.00	0.00	0	0.00	0.00	0.00	0.00	0.00
	Iken Pump Replacement: Feasibility		100%	0.00	0.00	0.00	0.00	0.00	20,000.00	20,000.00	0.00	0	0.00	0.00	0.00	0.00	0.00
	Sudbourne Pump Replacement: Feasibility		100%	0.00	0.00	0.00	0.00	0.00	20,000.00	20,000.00	0.00	0	0.00	0.00	0.00	0.00	0.00
	Coloney Marsh Pump Replacement		100%	0.00	0.00	0.00	0.00	0.00	54,000.00	54,000.00	0.00	0	0.00	0.00	0.00	0.00	0.00
SCH07	Deben Estuary Tidal Embankment	IDB0317	100%	0.00	0.00	0.00	0.00	12,925.00	50,000.00	37,075.00	12,925.00	50,000	37,075.00	12,925.00	50,000.00	-37,075.00	12,925.00
SCH08	Falkenham Marshes: Replacement & Relocation Feasibility	IDB0318	100%	0.00	0.00	0.00	0.00	257.42	20,000.00	19,742.58	257.42	45,000	44,742.58	257.42	45,000.00	-44,742.58	257.42
				36,891.83	30,685.95	73,279.62	0.00	58,737.72	239,000.00	180,262.28	199,595.12	351,000.00	151,404.88	161,993.06	309,750.00	-147,756.94	58,594.72
Non-Grant Aided Works:																	
	N/A	N/A	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	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	0.00	0.00	0.00	0.00	0.00
Totals				£36,891.83	£30,685.95	£73,279.62	£0.00	£58,737.72	£239,000.00	£180,262.28	£199,595.12	£351,000	£151,404.88	£161,993.06	£309,750.00	-£147,756.94	£58,594.72

G BLOOMFIELD
CATCHMENT OFFICER (WMA EASTERN)



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OUR ID	NAME	ACTUAL 2013/14	ACTUAL 2014/15	BUDGET 2014/15	VARIANCE
<u>DRAINS MAINTENANCE</u>					
<u>SD1: River Deben (Tidal Pumped) Sub District</u>					
DRN179P0101/4/5	King's Fleet	6,503	0	0	0
DRN179P0102	Laurel Farm Delph	0	0	0	0
DRN179P0103	Gulpher	0	0	0	0
DRN179P0201	Falkenham Delph	104	0	0	0
DRN179P0204	Falkenham Marsh Drain	0	0	0	0
DRN179P0202	Kirton Drain	0	0	0	0
DRN179P0205	King's Fleet Weir Drain	0	0	0	0
DRN178P0301/3	Ramsholt Marsh	0	1,600	2,000	400
DRN178P0101/4	Queen's Fleet	0	0	0	0
DRN178P0201	Bawdsey Marsh	0	0	0	0
EA Main River	River Deben	0	0	0	0
		£6,607	£1,600	£2,000	£400
<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
DRN171P0201	Oxx Lead Drain	0	0	3,000	3,000
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	2,100	0	-2,100
DRN167P0102	Stonebridge Drain	0	0	0	0
DRN167P0103	Capel Drain	0	2,100	0	-2,100
EA Main River	Contingency	0	0	7,000	7,000
		£0	£4,200	£10,000	£5,800
<u>SD3: AHB (Tidal Pumped) Sub District</u>					
DRN176P0101	Colony Marsh Drain	2,677	0	500	500
DRN177P0101	Un-Named	0	0	0	0
DRN177P0201	Un-Named	0	0	0	0
DRN177P0202	Un-Named	0	0	0	0
DRN177P0301	Un-Named	0	0	0	0
DRN177P0302	Un-Named	0	0	0	0
		£2,677	£0	£500	£500
<u>SD4: Blyth (Tidal Pumped) Sub District</u>					
DRN160P0101	Un-Named	0	0	1,100	1,100
DRN160P0102	Reyden	350	0	2,200	2,200
		£350	£0	£3,300	£3,300
<u>SD5: Gravity Sub District</u>					
DRN162G0101	Blyth, Tidal, Un-Named	0	0	0	0
DRN164G0101	Thorpeness 100, Un-Named	0	0	0	0
DRN169G0101	Butley Mill River, Lower Alde	0	0	0	0
DRN165G0102	Boyton Marsh Drain, Lower Alde	0	0	0	0
DRN165G0101	Boyton Marsh Delph, Lower Alde	0	0	0	0
DRN182G0101/7	Shottisham River, Lower Deben	0	0	0	0
DRN180G0101/3	Ramsholt Dock Drain, Lower Deben	0	1,890	2,500	610
DRN163G0101	Eastbridge Drain, Minsmere	100	100	200	100
DRN163G0301	Un-Named, Minsmere	0	0	2,575	2,575
DRN163G0401	Un-Named, Minsmere	0	0	0	0



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OUR ID	NAME	ACTUAL 2013/14	ACTUAL 2014/15	BUDGET 2014/15	VARIANCE
DRN163G0203	Un-Named, Minsmere	0	0	0	0
DRN163G0201	Un-Named, Minsmere	0	0	0	0
DRN163G0202	Un-Named, Minsmere	0	0	0	0
DRN161G0101	Holton Drain, Blyth	0	0	0	0
DRN163G0501	Un-Named, Minsmere	0	0	0	0
DRN175G0101	The Canal, FRAT	0	0	0	0
DRN175G0201	Sternfield Drain, FRAT	0	0	0	0
DRN175G0401	Un-Named, Upper Alde	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
DRN184G0801/3	Framsden Drain, Upper Deben	0	0	0	0
DRN184G0701	Horsefen Drain, Upper Deben	0	0	800	800
DRN184G0601	Moneweden Drain, Upper Deben	0	0	0	0
DRN184G0501	Rendlesham Drain, Upper Deben	0	0	0	0
DRN184G0101/5	Byng Brook, Upper Deben	0	0	0	0
DRN184G0201	Eye Marsh Drain, Upper Deben	0	0	0	0
DRN184G0301/3	Loudham Drain, Upper Deben	0	0	0	0
DRN184G0401	Ashe Abbey Drain, Upper Deben	0	0	1,550	1,550
DRN190G0101/2	Wetherden Stream, River Gipping	1,870	2,620	2,500	-120
DRN191G0101/3	Wetherden Stream, River Gipping	0	0	1,500	1,500
DRN186G1001	Gipping Stream, River Gipping	2,327	1,936	3,000	1,064
DRN189G0101	Rattlesden River	0	0	650	650
DRN189G0102/3	Golf Course Stream, River Gipping	2,360	2,042	1,750	-292
COW	Edgar's Farm Drain, River Gipping	0	0	0	0
DRN186G0901/2	Creeting Drain, River Gipping	1,843	1,134	2,000	866
DRN186G0801/6	Badley Stream, River Gipping	6,394	7,442	4,000	-3,442
DRN186G0701/4	Jack's Green Drain, River Gipping	1,700	1,352	1,400	48
COW	Needham Market Drain, River Gipping	0	0	0	0
DRN186G0601/5	Coddenham Stream, River Gipping	2,395	2,092	1,550	-542
DRN186G0301/4	Claydon Marsh Drain, River Gipping	1,702	789	1,500	711
DRN186G0201/3	Claydon Hill Drain, River Gipping	1,530	2,010	1,600	-410
DRN186G0101	Bramford Marsh Drain, River Gipping	0	0	625	625
DRN186G0401	Barham Marsh Drain, River Gipping	0	436	650	214
DRN188G0101/5	River Jordan, River Gipping	816	1,239	850	-389
DRN186G0501	Gallows Hill Drain, River Gipping	120	194	200	6
		£23,157	£25,277	£31,400	£6,123
DRAINS MAINTENANCE		£32,791	£31,077	£47,200	£16,123



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OUR ID	NAME	ACTUAL 2013/14	ACTUAL 2014/15	BUDGET 2014/15	VARIANCE
<u>PUMPING STATION MAINTENANCE</u>					
<u>SD1: River Deben (Tidal Pumped) Sub District</u>					
PMP178P001	Bawdsey Pumping Station				
	Power	5,185	5,125	5,500	375
	Repairs and Maintenance	0	0	0	0
	Superintendence	0	1,000	2,000	1,000
		<u>5,185</u>	<u>6,125</u>	<u>7,500</u>	<u>1,375</u>
PMP179P001	King's Fleet Pumping Station				
	Power	4,416	6,062	4,000	-2,062
	Repairs and Maintenance	6,028	0	2,000	2,000
	Superintendence (Gratis)	0	0	0	0
		<u>10,444</u>	<u>6,062</u>	<u>6,000</u>	<u>-62</u>
PMP179P002	Falkenham Pumping Station				
	Power	4,723	5,604	6,000	396
	Repairs and Maintenance	0	0	3,300	3,300
	Superintendence	660	1,000	1,000	0
		<u>5,383</u>	<u>6,604</u>	<u>10,300</u>	<u>3,696</u>
		£21,012	£18,791	£23,800	£5,009
<u>SD2: Lower Alde (Tidal Pumped) Sub District</u>					
PMP167P001	Butley Pumping Station				
	Power	2,797	4,346	5,000	654
	Repairs and Maintenance	8,919	1,672	0	-1,672
	Superintendence	0	2,050	2,000	-50
	Depreciation	5,319	5,319	4,398	-921
		<u>17,035</u>	<u>13,387</u>	<u>11,398</u>	<u>-1,989</u>
PMP168P001	Chillesford Pumping Station				
	Power	751	1,994	2,400	406
	Repairs and Maintenance	2,013	2,325	5,350	3,025
	Superintendence	1,150	1,150	1,150	0
	Depreciation	5,319	5,319	4,399	-920
		<u>9,233</u>	<u>10,788</u>	<u>13,299</u>	<u>2,511</u>
PMP170P001	Gedgrave Pumping Station				
	Power	1,200	1,343	1,800	457
	Repairs and Maintenance	0	340	1,900	1,560
	Superintendence	786	2,100	2,100	0
	Depreciation	5,319	5,319	4,399	-920
		<u>7,305</u>	<u>9,102</u>	<u>10,199</u>	<u>1,097</u>
PMP172P001	Iken Pumping Station				
	Power	1,941	1,862	3,500	1,638
	Repairs and Maintenance	0	6,050	1,795	-4,255
	Superintendence	1,205	1,205	1,205	0
		<u>3,146</u>	<u>9,117</u>	<u>6,500</u>	<u>-2,617</u>
PMP171P001	Sudbourne Pumping Station				
	Power	5,714	4,121	5,500	1,379
	Repairs and Maintenance	0	1,150	1,150	0
	Superintendence	0	2,100	1,850	-250
		<u>5,714</u>	<u>7,371</u>	<u>8,500</u>	<u>1,129</u>
		£42,433	£49,766	£49,896	£130



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OUR ID	NAME	ACTUAL 2013/14	ACTUAL 2014/15	BUDGET 2014/15	VARIANCE
<u>SD3: AHB (Tidal Pumped) Sub District</u>					
<u>PMP176P001</u>	Colony Marsh Pumping Station				
	Power	1,269	-868	1,400	2,268
	Repairs and Maintenance	0	0	450	450
	Superintendence	0	1,050	1,050	0
		£1,269	£182	£2,900	£2,718
<u>SD4: Blyth (Tidal Pumped) Sub District</u>					
<u>PMP160P001</u>	Reyden Pumping Station				
	Power	1,889	6,600	3,500	-3,100
	Repairs and Maintenance	180	5,405	500	-4,905
	Superintendence	0	1,000	1,000	0
		£2,069	£13,005	£5,000	-£8,005
PUMPING STATION MAINTENANCE		£66,783	£81,744	£81,596	-£148
DIRECT WORKS		£99,574	£112,821	£128,796	£15,975
TECHNICAL SUPPORT (INCLUDING BAP IMPLEMENTATION)		£23,045	£38,269	£59,508	£21,239
FINANCE COSTS (LOAN INTEREST: LOWER ALDE)		£11,648	£11,034	£11,034	£0
FINANCE COSTS (LOAN INTEREST: RIVER BLYTH)		£0	£0	£0	£0
MAINTENANCE WORKS		£134,267	£162,124	£199,338	£37,214

From: 01 April 2014 Period: 12
To: 31 March 2015 Year Ending: 31 March 2015

Asset ID	Fixed Asset Register	Purchased/ Revalued	Depreciation Period (Years)	Capital Cost B/Fwd	Revaluations	Additions	Impairment	Disposals	Capital Cost C/Fwd	Depreciation B/Fwd	Depreciation	Impairment	Acc.dprn w/out on disposal	Depreciation C/Fwd	Profit/(Loss) on disposal	Net Book Value
<u>SD1: River Deben (Tidal Pumped) Sub District</u>																
PS01	Butley	31/03/2012	16	85,111.38	0.00	0.00	0.00	0.00	85,111.38	15,958.44	5,319.48	0.00	0.00	21,277.92	0.00	63,833.46
PS02	Chillesford	31/03/2012	16	85,111.38	0.00	0.00	0.00	0.00	85,111.38	15,958.44	5,319.48	0.00	0.00	21,277.92	0.00	63,833.46
PS03	Gedgrave	31/03/2012	16	85,111.38	0.00	0.00	0.00	0.00	85,111.38	15,958.44	5,319.48	0.00	0.00	21,277.92	0.00	63,833.46
PS04	Iken	31/03/2012	10	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
PS05	Sudbourne	31/03/2012	10	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
				255,334.14	0.00	0.00	0.00	0.00	255,334.14	47,875.32	15,958.44	0.00	0.00	63,833.76	0.00	191,500.38
<u>SD2: Lower Alde (Tidal Pumped) Sub District</u>																
PS06	Bawdsey	31/03/2012	10	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
PS07	Falkenham	31/03/2012	10	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
PS08	Kings Fleet	31/03/2012	10	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	0.00	0.00
<u>SD3: AHB (Tidal Pumped) Sub District</u>																
PS09	Reydon Marsh	31/03/2012	10	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>SD4: Blyth (Tidal Pumped) Sub District</u>																
PS10	Hollesley, Colony Marsh	31/03/2012	10	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
Fixed Assets: Pumping Stations				£255,334.14	£0.00	£0.00	£0.00	£0.00	£255,334.14	£47,875.32	£15,958.44	£0.00	£0.00	£63,833.76	£0.00	£191,500.38

P J CAMAMILE
CHIEF EXECUTIVE



Annual Report for the year ended

31 March 2015

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 August 2015 a copy must be provided to:

- Department for Environment, Food and Rural Affairs, Flood Management Division, Area 3C, Nobel House, 17 Smith Square, London SW1P 3JR via floodreports@defra.gsi.gov.uk
- National Flood and Coastal Risk Manager (Strategic Delivery), The Environment Agency, Horizon House, Deanery Road, Bristol, BS1 5AH via rachael.hill@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 ENTER INTERNAL DRAINAGE BOARD NAME HERE

Internal Drainage Board

Section A – Financial information

Preliminary information on special levies issued by the Board for 2015-16

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 2015-16 (forecast)	
Name of local authority	2015-16 forecast £
1. BABERGH DISTRICT COUNCIL	1541
2. MID SUFFOLK COASTAL DISTRICT COUNCIL	34607
3. IPSWICH BOROUGH COUNCIL	32641
4. SUFFOLK COASTAL DISTRICT COUNCIL	68579
5. WAVENEY DISTRICT COUNCIL	2788
6.	
7.	
8.	
Total	140156

Section A – Financial information (continued)

Income and Expenditure Account for the year ending 31 March 2015

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 in Internal Drainage Boards in England – A Practitioners' Guide 2006 (Revised November 2007)*

	Notes	Year ending 31 March 2015 £
INCOME		
Drainage Rates		X 137056
Special Levies		X 138358
Contributions from the Environment Agency		X 85364
Contributions applied from developers/other beneficiaries		X 0
Government Grants		X 58595
Rechargeable Works		X 114125
Interest and Investment Income		X 0
Rents and Acknowledgements		X 0
Other Income	1	X 565
Total income		X 534063
EXPENDITURE		
New Works and Improvement Works	2	Y 58738
Contributions to the Environment Agency	3	Y 71691
Drains Maintenance	4	Y 39112
Pumping Stations, Sluices and Water level control structures	5	Y 102878
Administration	6	Y 49420
Rechargeable Works	7	Y 112251
Finance Charges	8	Y 11034
SSSIs	9	Y 0
IDB Biodiversity Action Plan actions or other biodiversity activities	10	Y 9100
Other Expenditure	11	Y 0
Total expenditure		Y 454224
EXCEPTIONAL ITEMS		
Profits/(losses) arising from the disposal of fixed assets		Z 0
Net Operating Surplus/(Deficit) for the year		X-Y+Z 79839

Notes:

1. Include all other Income, such as absorption account surpluses (for example plant and labour absorption accounts).
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. 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.
8. Include the cost of servicing any borrowing, in terms of bank/loan/hire purchase Interest payable.
9. 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.
10. State all costs associated with undertaking works – capital or maintenance – that are 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, but may include other activities.
11. 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).

Section B – Defra high level target and IDB Review Reporting

This section relates to the Board's achievement of High Level Targets (HLTs) issued by Defra in March 2005, including information required by the Environment Agency as a result of the targets or in relation to their general supervisory duty. Only those HLTs relevant to IDBs are covered below. This section also allows for reporting on IDB Review Targets.

HLT 1 – Policy Delivery Statement

Boards were required to produce a publicly available policy statement by 31 March 2001 setting out their plans for delivering the Government's policy aims and objectives. The full range of issues to be covered was set out in a template issued in June 2000. 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, EA and CLG? http://www.wlma.org.uk/uploads/ESIDB_Policy_Statement.pdf Yes ✓

If 'NO', please say why not and when the statement will be produced/revised:

HLT 2 – Information on the National Flood and Coastal Defence Database

The IDB Review Project Board and the Environment Agency have agreed the means to allow data to be stored on the National Flood and Coastal Defence Database or equivalent systems. Boards are required to report on their asset holding and asset condition at the end of 2007/08.

HLT 3 – Biodiversity

Please indicate whether your Board has published a Biodiversity Action Plan Yes ✓

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) | ✓ |
| Directly employed staff | ✓ |
| Contracted persons or consultants | ✓ |
| Environmental Partners/NGOs | ✓ |
| Other (please describe) | |

Asset Management (IDB Review Strand A3)

What system/database does your Board use to manage the assets it is responsible for?
(A) ADIS (B) NFCDD (C) Paper Records (D) Other Electronic System (please describe)

D) Bespoke Microsoft Access Database and GIS

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

Guidance and Best Practice (IDB Review Section B)

How many Board members (in total – elected and appointed) do you have on your IDB?

23

Has your IDB adopted a formal Scheme of Delegation? Yes

Has your IDB provided training for members in the last year?

Considered: Yes

Implemented: Yes

Please detail:

Various Presentations

Immediate Action (IDB Review Section C)

Has your IDB adopted minimum website requirements as specified in the IDB Review Implementation Plan? Yes

Is your Board's website information current for 2015? (Board membership, audited accounts, programmes of works, WLMPS, etc) Yes

Has your IDB adopted computerised accounting and rating systems, as specified in the IDB Review Implementation Plan? Yes

Has your Board adopted the following governance documents?

Standing Orders Yes

Have the Standing Orders been approved by Ministers Yes

Byelaws Yes

Have the Byelaws been approved by Ministers Yes

Code of Conduct for Board Members Yes

Financial Regulations Yes

Register of Member's Interests Yes

Section C – Declaration

EAST SUFFOLK ENTER INTERNAL DRAINAGE BOARD NAME HERE

Internal Drainage Board

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

Signature

P. Camamile

Date

21 August 2015

Name in BLOCK LETTERS

P J CAMAMILE

Designation

CHIEF EXECUTIVE

Email address

phil@wlma.org.uk



BOARD MEMBERSHIP AS AT 31 MARCH 2015

NAME	MEETINGS	ATTENDED	ATTENDANCE %	CONTACT DETAILS
ELECTED MEMBERS				
Cooke P N R	2	1	50	pnrcooke@btconnect.com
Foskett J (wef 01/15)	1	1	100	james@jamesfoskettfarms.co.uk
Garrod N	2	1	50	npgarrod@yahoo.co.uk
Greenwell Sir Edward *	2	2	100	edwardgreenwell@gedgrave.co.uk
Hall A R	2	1	50	andrewhall@btinternet.com
Loyd C A	2	1	50	charles.loyd@struttandparker.co.uk
Mann C J	2	2	100	mannfarms@btinternet.com
Mann R W	2	1	50	rwm_mannpotatoes@btconnect.com
Paul M A	2	1	50	michael@kirtonestate.co.uk
Pipe R J **	2	1	50	puffa@awmfarms.co.uk
Rowlands A J	2	2	100	Adam.rowlands@rspb.org.uk
APPOINTED MEMBERS				
Mid Suffolk DC				
Barker R J	2	2	100	roy.barker@midsuffolk.gov.uk
Wright S J	2	2	100	Stephen.wright@midsuffolk.gov.uk
Suffolk Coastal DC				
Block C (Mrs)	2	1	50	christine.block@suffolkcoastal.gov.uk
Fellowes M (Mrs)	2	1	50	mariannefellowes@hotmail.co.uk
Marson J (Mrs)	2	1	50	jane.marson@suffolkcoastal.gov.uk
Waveney DC				
Ritchie D	2	1	50	david.ritchie@waveney.gov.uk
Swainson J	2	2	100	julian.swainson@waveney.gov.uk

* Chairman

** Vice-Chairman

Average attendance: 69%



From: 01 April 2014
To: 31 March 2015

Period: 12
Year Ending: 31 March 2015

BOX NO.	ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2015	ACTUAL 2013/14 £	ACTUAL 2014/15 £
1	Balances brought forward		
	General Reserves	62,259	96,916
	Capital Reserves	210,844	296,955
	As per Statement of Accounts	273,103	393,871
	(-) Fixed Assets, Long Term Liabilities and Loans		
	Loans Payable in less than 12 months	-12,582	-13,196
	Long Term Liabilities	-231,991	-218,795
	Net Book Value of Tangible Fixed Assets	223,417	207,459
		-21,156	-24,532
	(=) Adjusted Balances brought forward	294,259	418,403
2	(+) Rates and Special Levies		
	Drainage Rates	135,029	137,056
	Special Levies issued by the Board	136,306	138,358
	As per Statement of Accounts	271,335	275,414
3	(+) All Other Income		
	Grants Applied	0	58,595
	Highland Water Contributions	100,383	85,364
	Other Income	1,777	565
	Income from Rechargeable Works	33,305	114,125
	As per Statement of Accounts	135,465	258,649
4	(-) Watercourses and Pumping Stations		
	Capital Works	0	58,738
	Maintenance Works	134,267	162,124
	As per Statement of Accounts	134,267	220,861
	(-) Loan Interest shown separately		
	Loan Interest	11,648	11,034
		11,648	11,034
	(-) Depreciation charged to Maintenance Works		
	Pumping Stations	15,958	15,958
		15,958	15,958
	(=) Adjusted Watercourses and Pumping Stations	106,661	193,869
5	(-) Loan Interest/Capital Repayments		
	Loan Interest	11,648	11,034
	Capital Repayments	12,582	13,196
	As per Statement of Accounts	24,230	24,230
6	(-) All Other Expenditure		
	Environment Agency Precept	69,806	71,691
	Administration Charges	48,654	49,420
	Cost of Rechargeable Works	33,305	112,251
	As per Statement of Accounts	151,765	233,362



From: 01 April 2014
To: 31 March 2015

Period: 12
Year Ending: 31 March 2015

BOX NO.	ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2015	ACTUAL 2013/14 £	ACTUAL 2014/15 £
	(+) Capitalised Additions		
	Land and Buildings	0	0
	Plant and Equipment	0	0
		0	0
	(=) Adjusted Other Expenditure	151,765	233,362
7	(=) Balances carried forward		
	General Reserves	96,916	89,249
	Capital Reserves	296,955	384,461
	As per Statement of Accounts	393,871	473,710
	(-) Fixed Assets, Long Term Liabilities and Loans		
	Loans Payable in less than 12 months	-13,196	-13,840
	Long Term Borrowing	-218,795	-204,955
	Net Book Value of Tangible Fixed Assets	207,459	191,500
		-24,532	-27,295
	(=) Adjusted Balances carried forward	418,403	501,005
8	Total Cash and Short Term Investments		
	Cash at Bank and in Hand	144,791	49,396
	Short term Investments	300,000	700,000
	As per Statement of Accounts	444,791	749,396
9	Total Fixed Assets and Long Term Assets		
	Land and Buildings	255,334	255,334
	As per Statement of Accounts	255,334	255,334
10	Total Borrowings		
	Loans Due (<= 1 Year)	13,196	13,840
	Loans Due (> 1 Year)	218,795	204,955
	As per Statement of Accounts	231,991	218,795



From: 01 April 2014
To: 31 March 2015

Period: 12
Year Ending: 31 March 2015

BOX NO. ANNUAL RETURN, FOR THE YEAR ENDED 31 MARCH 2015	ACTUAL 2013/14 £	ACTUAL 2014/15 £
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7, 8 RECONCILIATION BETWEEN BOXES 7 AND 8	ACTUAL 2013/14 £	ACTUAL 2014/15 £
---	------------------------	------------------------

7	Balances carried forward (adjusted)	418,403	501,005
	(-) Deduct: Debtors and Prepayments		
	Trade Debtors	0	0
	Work in Progress	0	43,859
	Drainage Rate Debtors	10,252	13,389
	EA Grants Due	0	0
	H M Revenue and Customs	4,985	2,536
	Amounts owed from/(to) WMA	11,174	-16,872
		26,411	42,911
	(+) Add: Creditors and Payments Received in Advance (<= 1 Year)		
	Trade Creditors	2,010	33,485
	Grants Unapplied	16,351	147,757
	Accruals	5,000	22,810
	Payments received in advance (EA: HWC)	7,963	9,901
	Payments received in advance (EA: Snape)	0	31,875
	Payments received in advance (EA: Kirton)	0	24,000
	Payments received in advance (EA: Iken)	21,475	21,475
		52,799	291,302
	(=) Box 8	444,791	749,396
8	(=) Total Cash and Short Term Investments		
	Cash at Bank and in Hand	144,791	49,396
	Short term Investments	300,000	700,000
		444,791	749,396

P J CAMAMILE
CHIEF EXECUTIVE

12 JUNE 2015

Internal Drainage Boards in England

Annual return for the financial year ended 31 March 2015

Internal Drainage Boards in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices summarising their activities at the end of each financial year.

Each annual return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the board.
- Section 3 is completed by the external auditor appointed by the Audit Commission.
- Section 4 is completed by the board's internal audit provider.

Each board must approve this annual return no later than 30 June 2015.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in blue. Do not leave any blue box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2015, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your external auditor will identify and ask for any additional documents needed for their work. Therefore, unless requested, do not send any original financial records to the external auditor.

Once the auditor has completed their work, certified annual returns will be returned to the local council for publication or public display of sections 1, 2 and 3. You must publish or display the annual return, including the external auditor's report, by 30 September 2015.

It should not be necessary for you to contact the external auditor for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide for Internal Drainage Boards that can be downloaded from the Association of Drainage Authorities' website at www.ada.org.uk

Section 1 – Accounting statements 2014/15 for

Enter name of reporting body here:

EAST SUFFOLK

Internal Drainage Board

	Year ending		Notes and guidance
	31 March 2014 £	31 March 2015 £	
			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.
1 Balances brought forward	294,259	418,403	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.
2 (+) Rates and special levies	271,335	275,414	Total amount of direct rates on landowners and special levies on local authorities received or receivable in the year.
3 (+) All other income	135,465	255,649	Total income or receipts as recorded in the cashbook less the rates and special levies (line 2). Include all grants and contributions from EA here.
4 (-) Watercourses and pumping stations	106,661	193,869	Total expenditure or payments including capital spending and employment costs on construction and maintenance of watercourses and pumping stations.
5 (-) Loan interest/capital repayments	24,230	24,230	Total expenditure or payments of capital and interest made during the year on the Board's borrowings (if any).
6 (-) All other payments	151,765	233,362	Total payments or expenditure as recorded in the cashbook less watercourses and pumping stations (line 4) and loan interest/capital repayments (line 5). Include all contributions to EA here.
7 (=) Balances carried forward	418,403	501,005	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	444,791	744,396	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.
9 Total fixed assets plus other long term investments and assets	255,334	255,334	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the Board as at 31 March.
10 Total borrowings	231,991	218,795	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2015 the accounting statements in this annual return present fairly the financial position of the Board and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

P. Lomenie

Date 12/06/2015

I confirm that these accounting statements were approved by the Board on this date:

12/06/2015

and recorded as Board minute reference:

34/15/01

Signed by Chair of meeting approving these accounting statements:

[Signature]

Date 12/06/15

Section 2 – Annual governance statement 2014/15

We acknowledge as the members of: EAST SUFFOLK Internal Drainage Board our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2015, that:

	Agreed –		‘Yes’ means that the board:
	Yes	No*	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	✓		prepared its accounting statements in the way proscribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
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 the board to conduct its business or on its finances.	✓		has only done what it has the legal power to do and has complied with proper practices in doing so.
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.	✓		during the year has given all persons interested the opportunity to inspect and ask questions about the board’s accounts.
5 We carried out an assessment of the risks facing the board and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the board’s accounting records and control systems.	✓		arranged for a competent person, independent of the board’s financial controls and procedures, to give an objective view on whether internal controls meet the needs of the board.
7 We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
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 the board and where appropriate have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the board and recorded as minute reference

34/15/02

dated 12/06/2015

Signed by:

Chair [Signature]

dated 12/06/15

Signed by:

Clerk [Signature]

dated 12/06/2015

*Note: Provide explanations to the external auditor on a separate sheet for each ‘No’. Describe how the board will address the weaknesses identified.

Section 3 – External auditor certificate and opinion 2014/15 Certificate

We certify that we have completed our review of the annual return, and discharged our responsibilities under the Audit Commission Act 1998 as transitionally saved, for the year ended 31 March 2015 in respect of:

EAST SUFFOLK INTERNAL DRAINAGE BOARD

Respective responsibilities of the body and the auditor

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

- summarises the accounting records for the year ended 31 March 2015; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to review the annual return in accordance with guidance issued by the Audit Commission (see note below). Our work does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and does not provide the same level of assurance that such an audit would do.

External auditor report

(Except for the matters reported below) on the basis of our review of the annual return, in our opinion the information in the annual return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we wish to draw to the attention of the board:

(continue on a separate sheet if required)

External auditor signature [Signature]

External auditor name BDW LLP Southampton United Kingdom Date 24/3/15

BDW LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Note: The Audit Commission issued guidance in its Standing Guidance, which is applicable to external auditors’ work on 2014/15 accounts.

Section 4 – Annual internal audit report 2014/15 to

Enter name of reporting body here:

EAST SUFFOLK

Internal Drainage Board

The board's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2015.

Internal audit has been carried out in accordance with the board'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 following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the board.

Internal control objective	Agreed? Please choose from one of the following		
	Yes	No*	Not covered**
A Appropriate accounting records have been properly kept throughout the year.	✓		
B The board's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C The board assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D The annual rating 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 expenditure was approved and VAT appropriately accounted for.	✓		
G Salaries to employees and allowances to board members were paid in accordance with board approvals, and PAYE and NI requirements were properly applied.	✓		
H Asset and investments registers were complete and accurate and properly maintained.	✓		
I Periodic and year-end bank account reconciliations were properly carried out.	✓		
J Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	✓		

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

Name of person who carried out the internal audit: KATE LITTLEWOOD, CMAA

Signature of person who carried out the internal audit: K Littlewood. Date: 27/04/2015

*Note: If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2014/15 annual return

- 1 You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guide* which is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit.
- 2 Make sure that your annual return is complete (i.e. no empty blue boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of, and approved by the board, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a board member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- 4 Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change in Clerk, Responsible Finance Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your board holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the Accounting statements (Section 1). You must provide an explanation for any difference between Box 7 and Box 8. More help on bank reconciliation is available in the Practitioners' Guide*.
- 6 Explain fully significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guide* to assist you.
- 7 If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2014) equals the balance brought forward in the current year (Box 1 of 2015).
- 9 Do not complete section 3. The external auditor will complete it at the conclusion of the audit.

Completion checklist - 'No' answers mean you may not have met requirements		Done?
All sections	All blue boxes have been completed?	
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	
Section 1	Board approval confirmed by signature of Chair of meeting approving accounting statements?	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2015 agreed to Box 8?	
Section 2	An explanation of any difference between Box 7 and Box 8 is provided?	
	For any statement to which the response is 'no', an explanation is provided?	
Section 4	All blue boxes completed by internal audit and explanations provided?	

*Note: Governance and Accountability for Internal Drainage Boards in England – A Practitioners' Guide, is available from the ADA website www.ada.org.uk or from The Association of Drainage Authorities, 12 Cranes Drive, Surbiton, Surrey, KT5 8AL.



Water Management Alliance

INTERNAL AUDIT REPORT 2014/15

April 2015

Contents:

1. Executive Summary
2. Reporting
3. Acknowledgements
4. Detailed Observations, Recommendations and Agreed Actions
- APP 1 Agreed Terms of Reference

1. Executive Summary

The audit of the Water Management Alliance and the constituent Internal Drainage Boards was carried out by Kate Littlewood for the year 2014-15. This Executive Summary sets out our overall conclusion on the system reviewed, and summarises the key recommendations arising. A copy of the Terms of Reference for this audit is attached as **Appendix 1**.

Regulation 6 of the Accounts and Audit Regulations 2011 requires that '*A relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control*'. The completion of this internal audit fulfils that role.

It should be noted that any system of internal control is designed to manage risk to a reasonable level, and therefore Internal Audit cannot provide absolute assurance against loss. As well as being effective, controls need to be proportionate to the risk involved and not overburden the organisation with excessive costs.

The Water Management Alliance provides administration and management services to the five constituent Internal Drainage Boards, namely Broads, King's Lynn, East Suffolk, Norfolk Rivers and South Holland.

Using the '*Governance and Accountability in Internal Drainage Boards in England – A Practitioners Guide (Rev 2007)*' this audit reviewed the procedures and systems of control in place at the Water Management Alliance and considered if they were effective and being applied as intended. Sample testing was carried out on elements as considered necessary by the auditor in order to substantiate the application of the control.

As part of the audit a follow-up was carried out on the recommendations raised in last year's report. The results of this are included in section 4.

2. Overall Conclusion

In conclusion, the procedures used at the Water Management Alliance are simple but effective, and appear to be carried out diligently by all staff concerned. Controls are working as expected. However, there are some aspects that can be improved and details of recommendations can be found in Section 4 together with the actions agreed with the Chief Executive.

The overall level of assurance attributed to the system is:

Substantial Assurance	A sound system of internal control, but there are a few weaknesses that could put achievement of system objectives at risk.
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The observations and recommendations are detailed in Section 4. Each recommendation is allocated a priority as defined below:

High	Major risk requiring action by the time the final report is issued.
Medium	Medium risk requiring action within six months of the issue of the draft report.
Low	Matters of limited risk. Action should be taken as resources permit.

3. Acknowledgements

I would like to express my thanks for their assistance and co-operation to:

Phil Camamile, Chief Executive Officer

Mary Creasy, Personal Assistant (CEO)

Michelle Futter, Finance Officer

Trish Walker, Finance Assistant

Graham Tinkler, Rating Officer/Site Warden

Subject Area 4.1 – Follow-up on agreed actions from previous year's report.

W.P. Ref. Follow-up

Observations and their effects/ Recommendations	Priority	Agreed Action/ Responsible Officer/ Target Date
<p>1. Follow up</p> <p>Observation The report issued in April 2014 contained one 'High' recommendation that a Suspense Account should be used to record transactions in the Cashbook if coding information from the engineer is not available at the time the transaction is recorded.</p> <p>A Suspense account has now been set up and although it has not been required during 2014/15, it will be used if necessary.</p> <p>Consequence This will enable the Cashbook to reflect the true position of the accounts at all times and reduce the risk of transaction postings being overlooked.</p> <p>Recommendation No further action required.</p>	N/A	No further action required.

Observations and their effects/ Recommendations	Priority	Agreed Action/ Responsible Officer/ Target Date
<p>2. Early payment discount</p> <p>Observation</p> <p>The 'Rate Levies and Collection Policy' states in section 4.6 that '<i>Drainage Rate demands that are sent by email and paid electronically on or before 2nd May will benefit from a 2.5% settlement discount</i>'.</p> <p>The discount does not appear on the reverse of the Rate Demand letters where payment options are described. The only discount offered relates to the direct debit facility operated by South Holland.</p> <p>Consequence</p> <p>The policy is available on the website. If rate payers ask for the option to receive emailed demands and to pay electronically, but this cannot be delivered, the Board will be in contravention of its own policy.</p> <p>Recommendation</p> <p>Consider whether the option is to be offered and either remove it from the published document, or establish a process by which the discount can be applied.</p>	Medium	<p>The facility to pay by direct debit does exist for all Boards, but this needs to be communicated. A letter will be sent out notifying all rate payers of the facility and discount, and requesting email addresses in preparation for 2016/17.</p> <p>Chief Executive and Rating Officer. March 2016</p>

Observations and their effects/ Recommendations	Priority	Agreed Action/ Responsible Officer/ Target Date
<p>3. Collection of outstanding Rates</p> <p>Observation</p> <p>The Aged Debtor report for each Board was reviewed and some analysis of the main causes of non-payment was started using the Account Status on the report, but this analysis was abandoned as it became clear that the status is not always updated.</p> <p>Several payment options are offered, but only one Board offers a direct debit facility and this Board also has the highest collection rate.</p> <p>The process for collecting outstanding rates was discussed with the Rating Officer and a sample of aged debts was selected and reviewed for action taken. Most cases appear to be the result of changes of occupation, where the new occupier cannot readily be confirmed. There are a few cases where attempts by the Rating Officer to resolve issues are thwarted by meetings being repeatedly cancelled, letters not answered and telephone calls not being returned.</p> <p>Consequence</p> <p>It is not possible to readily identify the main issues around outstanding debts as the required information is not updated.</p> <p>By not offering a direct debit facility, some Boards may not be optimising the collection rate.</p> <p>Some non-payers may be deliberately avoiding resolving issues in order not to pay.</p>	Medium	<p>The direct debit facility is available for all Boards as noted in Recommendation 2 above.</p> <p>The Account Status and notes fields will be completed and updated to maintain a full record of actions and events relating to each account.</p> <p>Rating Officer With immediate effect.</p>

Observations and their effects/ Recommendations	Priority	Agreed Action/ Responsible Officer/ Target Date
<p>Recommendation</p> <p>Ensure the Account Status is updated to provide accurate information to enable some analysis and targeted action to be implemented.</p> <p>Consider offering direct debit to all rate payers.</p> <p>For cases of persistent bad debt, more consistent action needs to be taken. Where the debtor is routinely delaying or cancelling attempts to resolve the issue, records should be kept of all contact attempts, including date and time of any phone calls at different times of the day, copies of letters sent and meetings that are cancelled. This can be presented to Court as evidence that the Board has made every effort to resolve the situation.</p>		

Observations and their effects/ Recommendations	Priority	Agreed Action/ Responsible Officer/ Target Date
<p>4. Supporting Documentation</p> <p>Observation</p> <p>A review of a sample of payments made included some over £5,000 that were not supported by copies of quotes.</p> <p>In one instance several consecutive orders were placed on the same day with the same contractor for work in different locations during November and December. When the value of the orders were added together the totals exceeded £5,000 for both months. The orders had been authorised by the Operations Manager only.</p> <p>Consequence</p> <p>Financial Regulations state that orders of >£5,000 and <=£50,000 should:</p> <ul style="list-style-type: none"> • have 3 written quotes (section D1), • that the quotes should be attached to the invoice (section D16) and • be authorised by the Chief Executive (section D11) <p>Whilst the Auditor is satisfied that no inappropriate expenditure has occurred in these cases, Financial Regulations have been breached.</p> <p>In the case of the multiple orders for the same kind of work, it may also not be cost effective to hire plant and machinery on an ad hoc basis.</p>	Medium	<p>In some cases there may only be one supplier for specialist goods or services. In these cases it should be noted on the order and Operations Managers will be reminded of this.</p> <p>Finance Officer With immediate effect</p> <p>A framework contract is in place in effect for the contractor services used in November and December. Considerable training of the contract personnel is required to ensure they comply with the necessary regulations and as a result the choice of contractors is</p>

Observations and their effects/ Recommendations	Priority	Agreed Action/ Responsible Officer/ Target Date
<p>Recommendation Remind staff to send written quotes to the Finance Officer with the purchase order and invoice.</p> <p>Consider if a framework contract would provide better value for money for frequent contract work.</p>		<p>limited to a few suppliers.</p> <p>A proposal is being developed to present to the eastern area Boards to combine the workforces and employ more capacity internally. This will remove the need to use external contractors on such a scale.</p> <p>Chief Executive July 2015</p>

Internal Audit Services

Borough Council of
**King's Lynn &
West Norfolk**



WATER MANAGEMENT ALLIANCE

INTERNAL AUDIT TERMS OF REFERENCE 2014-15

1. INTRODUCTION

1.1 This document sets out the strategy and plan for the audit of the Water Management Alliance for the year 2014-15.

1.2 Section 4 of The Accounts and Audit Regulations 2011 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 2013

1.4 The Internal Auditor will work in accordance with the Public Sector Internal Audit Standards (PSIAS) adopted by CIPFA from April 2013 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) IDB
- East Suffolk IDB
- King's Lynn IDB
- Norfolk Rivers IDB
- South Holland IDB.

As such, this work will enable the auditor to complete the Annual Returns for all five Boards.

2. OBJECTIVES AND SCOPE OF THE AUDIT

2.1 The work of the Internal Auditor will be guided by 'Governance and Accountability in Internal Drainage Boards in England – A Practitioners Guide (Rev 2007)'.

2.2 In order to be able to complete section 4 of the Electronic Annual Return for 2014/15 the auditor will consider the following:

- A. The Accounting Records
To ensure that the accounting system is accurate, complete and timely, and that data input is being verified appropriately.
- B. Financial Regulations and Standing Orders
To ensure that they are current and are being adhered to.
- C. Risk Management processes
To ensure that management review the Risk Register on a regular basis and that risk is being identified and actively managed in a proportionate manner.
- D. Budgetary Controls

To ensure that the budgets are prepared on a realistic basis and are monitored throughout the year and any variations are investigated, with corrective action being taken if necessary.

E. Income Controls

To ensure that processes are in place and functioning correctly to collect, record and bank income in full and on time with a particular focus on rating collection procedures.

F. Petty Cash Procedures

To ensure petty cash provisions are reasonable, used in accordance with Financial Regulations and adequate records are kept of payments made.

G. Payroll Controls

To ensure that remuneration to employees and Board Members is calculated correctly and in accordance with the levels agreed by the Board, and that all HMRC requirements are complied with.

H. Asset Management

To ensure that there are satisfactory processes in place to maintain the register and check for accuracy.

I. Bank Reconciliation

To ensure that periodic and year-end bank account reconciliations were properly completed and verified.

J. Year-end Procedures

To ensure that the appropriate accounting basis have been used to prepare the year-end accounting statements and that figures contained in the statements can be verified by reference to working papers and accounting records.

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.

3. TASKS

3.1.1 The project tasks are to:

- Establish if the procedures recorded as part of the audit for 2013-14 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.

Internal Audit Services

- 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 Return for 2014/15.

4. WORK PLAN

- 4.1 The audit will be undertaken by
Mrs Kate Littlewood, CMIIA
Audit Manager, Borough Council of King's Lynn and West Norfolk.
- 4.2 The audit has been allocated 5 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 2013-14 audit report.	0.5
Testing – to establish that processes are being applied as intended.	3.5
Conclusions and discussion	0.5
Completing the Return and reporting if required.	0.5

5.0 AGREEMENT

	Signature	Date
Phil Camamile Chief Executive, Water Management Alliance
Kate Littlewood Audit Manager Borough Council of King's Lynn and West Norfolk