

# BLACK SLUICE INTERNAL DRAINAGE BOARD

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Our Ref: IMW/DPW/B10\_1

Your Ref:

Date: 22<sup>nd</sup> May 2015

## **To the Chairman and Members of the Executive Committee**

Notice is hereby given that a Meeting of the Executive Committee will be held at the Offices of the Board on Wednesday, 3<sup>rd</sup> June 2015 at 2pm at which your attendance is requested.



Chief Executive

## **AGENDA**

1. Apologies for absence
2. Declarations of Interest
3. To receive and if correct sign the Minutes of the Executive Meeting held on 14<sup>th</sup> January 2015 (pages 1-6)
4. Matters Arising.
5. To receive (unaudited) 2014/15 Financial Statements and Balance Sheet (Under separate cover).
6. To receive the 2014/15 Internal Audit Report (pages 7-10)
7. To review and approve accounts of Bourne Fen Farm Account (pages 11-12)
8. To receive the 2015/16 Internal Audit Strategy and Plan (pages 13-16)
9. To consider Period 1 Management Accounts (pages 17-19)
10. To receive a report on Pumping Station Valuations and Insurance (page 20)
11. To consider verbal report VOSA Licensing.
12. Any Other Business.

# **BLACK SLUICE INTERNAL DRAINAGE BOARD**

## **MINUTES**

of the proceedings of a meeting of the Executive Committee

held at the Offices of the Board on  
14<sup>th</sup> January 2015 at 2pm

### **Members**

Chairman - \* Mr M J Scott

\* Cllr P Bedford

\* Mr R Leggott

\* Mr J R Wray

\* Cllr M Brookes

Mr K C Casswell

\* Member Present

In attendance: Mr I Warsap (Chief Executive)  
Mr D Withnall (Finance Manager)

#### 670 **APOLOGIES FOR ABSENCE**

Apologies were received from Mr K C Casswell. Mr J R Wray joined the meeting at Agenda Item 4.

#### 671 **MINUTES OF THE LAST MEETING**

Minutes of the last meeting held on 29<sup>th</sup> October 2014, copies of which had been circulated, were considered and it was agreed that they should be signed as a true record.

#### 672 **MATTERS ARISING**

##### (a) **2014/15 Budget - Minute No 619(b)**

The Chief Executive informed the Committee that S T Portess & Son have been appointed to complete the building of the secure storage area. They are due to complete next week; the Chairman viewed the works before Christmas.

The Architect had no active contract with Mowbray's, as agreed at the previous meeting the Architect and Structural Engineering drawings were purchased for £500.

##### (b) **Black Sluice Strategy following the Tidal Surge - Minute No 619(c)**

The Chief Executive informed the Committee that an agreement has been reached with FCC Environmental Company regarding the works specification. The works to protect the culvert will be commencing on the 19<sup>th</sup> January 2015.

672 (b) Cont.....

The Environment Agency have issued £240k of FDGiA "recovery" funding for works to be completed by 30<sup>th</sup> June 2015 on the Wyberton and Kirton catchments. Contractors will be contacted to tender for the culvert replacement works as the workforce is unable to complete these within the set period without detriment to the Board's planned drain maintenance.

The Chief Executive stated that due to the simplified "LITE" format application for FDGiA he was able to complete them within the short time frame to secure funding for the schemes.

(c) Rechargeable Works - Minute No 619(d)

The Chief Executive informed the Committee that the contract has been secured with Calders & Grandidge, programmed to commence 2<sup>nd</sup> February 2015.

(d) Data Transparency Web Page - Minute No 619(f)

The Finance Manager stated that the Internal Auditor stated at the Audit & Risk Committee meeting that the Black Sluice IDB is an example of good practice.

(e) The EA Asset Transfer Report - Minute No 620

The Chief Executive informed the Committee that the meeting is to be held on 3<sup>rd</sup> February 2015.

(f) Lone Worker Devices - Minute No 626

The Chief Executive stated that the devices are due for delivery by 26<sup>th</sup> January 2015.

(g) Board Members - Minute No 628(a)

The Chief Executive stated that the Land Drainage Act quoted in the minutes refers to elected Board Members. Boston Borough Council rules regarding Appointment of Representatives to Outside Bodies applies to the appointment of their Councillors onto the Board.

673 TO RECEIVE THE PERIOD 9 MANAGEMENT ACCOUNTS - Agenda Item 4

The Finance Manager presented to the Committee the Period 9 management accounts and stated that everything appears to be heading towards budget for the year end.

He made further reference to the following items:

- Drain Maintenance is adverse against budget but the additional £240k FDGiA for schemes is to be spent and then will reduce the overspend by year end.
- Interest rate with the Natwest has reduced to 0.15%.

674 TO CONSIDER THE 2015/16 BUDGET AND TEN YEAR PROJECTIONS - Agenda Item 5

The Chairman reviewed the conversations from the last Executive Committee meeting which concluded in requesting the Finance Manager to construct the budget with a moratorium in the rate for two years.

As reported at the subsequent Board meeting this resulted in unacceptably low balances in six years time and with this consideration the Finance Manager had calculated the minimum regular level that would sustain a General Reserve to Expenditure level of 20% over a ten year period. This was based on a base increase of 1.75%.

The Chairman stated that it was his opinion that this level of increase, given the austerity measures the local Councils are contending with, was unacceptably high. The Chairman asked Cllr Bedford in his role as the Leader of Boston Borough Council what they had included in their budget to which he replied 1%, noting that Central Government had reduced their budget by £660,000.

The Chairman proposed reducing the increase in the rate to 12.48p (1.46%) by reducing the budget for Drain Schemes from £135,000 to £115,000 for the next two years. The Chief Executive requested caution in reducing these budgets as the Flood Defence Grant in Aid (FDGiA) money was not likely to be available at the same levels as the current year and ideally inflationary increases need to be factored into both Drain and Pumping Station Schemes. This was acknowledged by the Committee and a review of the ten year schemes budget was undertaken to identify any urgent schemes.

The Committee AGREED to reduce the Drain Schemes budget to £115,000 for 2015/16 and 2016/17, to be reviewed after period 9 accounts in each year with schemes planned in reserve if the funds were available from alternative budgets.

The Chairman confirmed with the Finance Manager that inflationary increases had been included in Drain Maintenance at a rate of 2%. Mr Leggott also reflected on the impacts that reducing Drain Maintenance could potentially have.

The Committee AGREED to recommend to the Board that the Board adopt a policy of maintaining the General Reserve at a level of 20% of the annual expenditure.

The Committee further AGREED to recommend the budget in its current form with the amendments detailed above and a penny rate of 12.48p.

675 TO CONSIDER THE PROPOSALS FOR THE PLANT ACCOUNT 2015/16 - Agenda Item 6

The Chief Executive presented to the Committee proposed purchases including three pickups. The Committee discussed the option of leasing 4x4 pickups highlighting the importance of the Black Sluice organisational status, which would reduce the capital allowances to the leasing company and annual high mileage penalties. The Committee RESOLVED to recommend the three pickups be purchased rather than leased.

675 Cont.....

The Committee AGREED to the recommendation presented for the plant purchases 2015/16 in conjunction with the Eight Year Plant Plan agreed by the Executive Committee on 20<sup>th</sup> October 2014.

676 TO CONSIDER THE DEVELOPMENT CONSENT FEE ACCOUNT - Agenda Item 7

The Chief Executive informed the Committee that the reconstruction of the culvert at Wyberton Roads will be covered by FDGiA.

The Chief Executive stated that with the continued use of SUD's, this will decrease the amount of contributions to the Development Consent Fee account. Potential schemes will be considered and if identified for funding from this account brought to the Committees' attention.

677 TO CONSIDER ESTIMATES FOR BOURNE FEN FARM ACCOUNT - Agenda Item 8

The Finance Manager presented his report which included an estimated value of the investments and cash for 2015/16.

The Committee RESOLVED that the rate alleviation for 2015/16 should be the same rate as 2014/15, which is 2.4p in the £.

678 HUMAN RESOURCES - Agenda Item 9

It was agreed and thereby RESOLVED to exclude the public from the next part of the meeting due to the confidential nature of the business to be transacted, in accordance with section 2 of the Public Bodies (Admission to Meetings) Act 1960.

679 TO RECEIVE A PRESENTATION AND REVIEW 2015/16 OBJECTIVES - Agenda Item 10

The Chief Executive explained to the Committee that the annual business plan is effectively the same document each year. All the information pertaining to purpose, delivery and objectives has been uploaded onto the Boards website.

He recommended that instead of this document a list of "targets" are produced and published for each year.

The Committee agreed to the recommendation not to produce a Business plan. The Committee recommended that the list of targets be signposted onto the website under the section pertaining to Business Plan.

### **Proposed 2015/16 Targets**

- control expenditure in line with this year's budgets
- develop the Board's public engagement
- develop the Assistant Pump Engineer (three year programme) in line with the Pump Engineer's retirement plans
- hold a full Board inspection in June
- hold successful members elections in November
- develop our PSCA with the EA
- develop the possibility of an EA asset transfer (main river and BSPS)
- assist in the actions of the BSCS
- continue involvement with the Boston Barrier plans
- appoint an Apprentice Administration Assistant
- review the resilience of the Board (plans/systems)

The Committee discussed the proposed targets above and highlighted the following recommendations:

- (a) Place the targets in an order of importance, or traffic light system.
- (b) Explanation of how these can be achieved and reports ongoing to final completion.
- (c) Responses from the Public, questions which might be raised, consider a range of answers.
- (d) Explaining the acronyms or avoid them. Giving a basic understanding of the issues and how each authority affects these ranges of targets.
- (e) In addition general ongoing training for employees rather than pointing to a specific course.
- (f) The Environmental Asset Transfer, break it down into defined areas ie South Forty Foot Drain, Black Sluice Pumping Station. How it affects us and what benefits will be achieved.
- (g) Break down the wording and definitions to give a general understanding of what we are doing, how we are going to achieve this and why it is important.

### 680 **ANY OTHER BUSINESS - Agenda Item 11**

#### (a) **Wyberton Marsh Improvement**

The Chief Executive presented to the Committee a map showing the Wyberton drain, recommending a minor cutting/re-routing of this drain that would also offer a small attenuation facility. This scheme would incorporate rate payers land and be subject to negotiations and purchase.

The Committee AGREED that the Chief Executive could negotiate with the landowner regarding purchase of the land/ land loss, reporting to the Chairman.

(b) Drainage Rate Brochure 2015/16

The Chief Executive asked the Committee if the Drainage Rate Brochure was required now that the Boards website was kept up to date with information.

The Committee discussed and felt not all rate payers were computer literate and the cost involved in advertising the Board and its programmes warranted a brochure.

(c) Pumping Station Valuations

The Chief Executive stated that he had received the reports from Jackson Civil Engineering, if time permits he will review these and report to the Board at the next meeting.

(d) ADA White Book

The Chief Executive stated that the ADA White Book which is used as an advisory on wages, salaries and terms & conditions required updating. The Pay & Conditions Committee have advised that some matters are dealt with at individual Board level.

The Chief Executive informed the Committee that Unison had sent a letter regarding standby rates during Holidays. The workforce generally volunteer for standby over any closed period and they are paid a standby rate whether called out or not. Over the Christmas 2014 period none of the workforce volunteered to be placed on a standby rota therefore only the call out rate is paid when called out.

The Committee recommended that ADA be contacted to review and update the White Book.

There being no further business the meeting closed at 16:25.



# **GOWING INTERNAL AUDIT SERVICES LTD**

## **ANNUAL INTERNAL AUDIT REPORT**

**Black Sluice  
Internal Drainage Board  
May 2015**

## INTERNAL AUDIT REPORT

### 1 EXECUTIVE SUMMARY

- 1.1 I have completed the 2014/15 internal audit of the Black Sluice Internal Drainage Board in accordance with the Public Sector Internal Audit Standards and with regard to the ADA Practitioners guide.
- 1.2 The statutory basis for internal audit in local authorities in England (which includes Drainage boards) is a specific requirement in the Accounts and Audit regulations which requires that the organisation must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control.
- 1.3 The internal audit service is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.
- 1.4 This audit included an implementation review of previous audit recommendations, review of any system changes, sample testing of 2014/15 transactions and provision of best practice advice gained through my audit of other IDBs. An audit of the Bourne Fen Farm Trust Fund has also been completed.
- 1.5 The main findings were:-
- all previously agreed recommendations have been implemented
  - accurate records and transactions
  - the introduction of additional controls within the creditor payment system to ensure adherence to the procurement policy
  - a change to staff timesheets to ensure mileage rates are accurately claimed
  - good information on the web-site conforming with Data Transparency guidance.
  - despite the computer network being infected by a virus (cause Cryptolocker) the support agreement with a computer supply company and local back-up resulted in only minimal downtime. This was a good test of the computer data back-up system.
  - the Bourne Fen Farm Trust Fund recorded a Surplus of £1,246 for the year ended 31 March 2014 with investments of £313,020. The entries in the revenue account and balance sheet provided were supported by appropriate evidence.

A detailed control test programme and results is available upon request.

- 1.6 I am pleased to report there are no recommendations arising from this audit.
- 1.7 An interim audit will be undertaken in October / November to ensure continued implementation of good controls.
- 1.8 It is my opinion that, in respect of the areas covered by this report I am pleased to now be able to provide **substantial assurance** on the system of controls.
- 1.9 I would like to place on record my thanks for the co-operation and assistance given by all staff during this audit.

David Gowing  
 Gowing Internal Audit Services Ltd.  
 May 2015

#### EVALUATION CRITERIA

<b>Substantial Assurance</b>	There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.
<b>Adequate Assurance</b>	While there is a basically sound system, there are weaknesses that put a minority of the system objectives at risk and/or there is evidence that the level of non-compliance with some of the controls may put a minority of the system objectives at risk.
<b>Limited Assurance</b>	Weaknesses in the system of controls are such as to put most or all of the system objectives at risk and/or the level of non-compliance puts most or all of the system objectives at risk.
<b>No Assurance</b>	Control is poor, leaving the system open to significant error or abuse and/or significant non-compliance with basic controls.

## **2 FINDINGS**

**2.1** The annual return for boards with annual income or expenditure under £6.5million requires internal audit to provide certification on the following ten key control objectives. Any comment or issue on an objective is noted below otherwise the objective can be considered to be fully met:-

a) Appropriate books of account have been properly kept throughout the year.

b) Financial Regulations have been met, payments were supported by invoices, 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, 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 investment registers were complete and accurate and properly maintained.

i) Periodic and year-end bank 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.

# Bourne Fen Farm Trust Fund

## Revenue Account for Year Ended 31st March 2015

<i><b>Income</b></i>	<b>2014</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Investment Income	14,677	14,810
 <i><b>Expenditure</b></i>		
Contribution to Rates	9,242	9,239
Bank Charges	72	62
Contribution to Administration	4,284	4,263
	13,598	13,564
<b>Surplus</b>	<b>1,078</b>	<b>1,246</b>

## Balance Sheet as at 31st March 2015

<i><b>Capital Assets</b></i>	<i><b>Note</b></i>	<b>2014</b>	<b>2014</b>
Investments	A	324,373	313,020
 <i><b>Current Assets</b></i>			
Bank Account		9,007	9,437
Debtors		1,769	1,761
		10,776	11,198
 <i><b>Current Assets</b></i>			
Creditors		0	1,500
<b>Net Current Assets</b>		<b>335,149</b>	<b>322,718</b>
 <i><b>Fund Balances &amp; Reserves</b></i>			
Revaluation Reserve		225,310	213,957
Capital Fund		104,120	104,120
Revenue Reserve		5,719	4,641
		335,149	322,718
<b>Reserves</b>		<b>335,149</b>	<b>322,718</b>

The above represents a trust fund which was vested in the Black Sluice IDB to fund rate alleviations to the rate payers in the area of Bourne North Fen.

# Bourne Fen Farm Trust Fund

Valuation By Brewin Dolphin Stockbrokers

## NOTE A

	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>% of</b>	<b>% of</b>		
<b>Analysis By Sector</b>	<b>Value</b>	<b>Value</b>	<b>Value £</b>	<b>Value £</b>
UK Equities	<b>35.67</b>	40.37	<b>115,700</b>	126,359
Overseas Equities	<b>22.28</b>	17.56	<b>72,258</b>	54,977
Qualifying Corporate Bonds	<b>19.12</b>	19.32	<b>62,019</b>	60,461
UK Government Securities	<b>8.90</b>	9.05	<b>28,877</b>	28,339
Fixed Interest	<b>8.08</b>	7.45	<b>26,213</b>	23,308
Private Equity	<b>3.20</b>	2.77	<b>10,382</b>	8,686
Property	<b>1.64</b>	1.40	<b>5,313</b>	4,378
Cash	<b>1.11</b>	1.54	<b>3,611</b>	4,835
Hedge Funds	<b>0.00</b>	0.54	<b>0</b>	1,677
<b>TOTALS</b>	<b>100.00</b>	100.00	<b>324,373</b>	313,020

**BLACK SLUICE INTERNAL DRAINAGE BOARD**

**INTERNAL AUDIT STRATEGY AND AUDIT PLAN**

**2015 - 2016**

## **INTERNAL AUDIT STRATEGY**

- 1.1** This Audit Strategy is designed to be a high level statement of how the Internal Audit Service will be delivered and developed.
- 1.2** The internal audit service is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.
- 1.3** The Accounts and Audit Regulations 2011 state that the Board is responsible for ensuring the financial management of the organisation is adequate and effective and that the Board has sound systems of internal control which facilitate the effective exercise of their functions (including risk management). The Board should conduct a review, at least once a year, of the effectiveness of its systems of internal control. The Regulations also require that following the review, the Board must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control. The Internal Audit Service is a key independent and objective source of assurance for the Board.
- 1.4** The authority of Internal Audit is included within Financial Regulations.

## **2 RESOURCES**

- 2.1** The Internal Audit Service is to be provided by an external contractor, appointed by the Board, who is an experienced and qualified internal auditor.

## **3 AREAS OF WORK**

- 3.1** All internal audit work will be undertaken with due regard to the Governance and Accountability in Internal Drainage Boards – a Practitioners' Guide and the Public Sector Internal Audit Standards.
- 3.2** The annual audit plan will be devised through discussions and agreement with the Chief Executive, Board Members and the External Auditor.
- 3.3** The following paragraphs describe the main areas of audit work. The work concentrates on assurance and risk-based audits, traditional probity checks, assistance with risk management and provision of advice.

### **3.3.1 Assurance Audits**

Financial systems are to be reviewed to provide assurance to the Board and for the annual return. Where appropriate probity audits will be undertaken and the propriety, accuracy and recording of transactions sample tested. A risk based approach will be adopted so detailed checking of all systems and transactions will not be undertaken.



### **3.3.2 Risk Management**

The risk register will be used to determine the main areas of audit. If the risk register is not fully developed assistance will be given if required to complete an operational document. This approach offers flexibility to address the Board's risks as they arise and establishes greater synergy between internal audit and the management of risks facing the Board.

### **3.3.3 Consultancy and Advice**

Internal Audit will be available to assist the Board with control or operational issues. During the year there might be emerging risks or issues that need an independent view or review. In addition, internal audit will be pro-active with suggestions and advice to management from information gained through experience, other IDBs and organisations and networking groups.

### **3.3.4 Anti-fraud and Corruption**

Internal Audit will be pro-active in counter fraud work. Although it is not a function of Internal Audit to detect fraud (this is a responsibility of management and good system control) work will be undertaken to help ensure there are adequate systems and procedures to highlight potential instances.

### **3.3.5 Value for Money (VFM)**

As a part of the audit review, systems and controls established by management to secure VFM will be examined and evaluated. Internal audit can undertake detailed VFM reviews upon request.

## **4.0 Audit Reports**

**4.1** At the completion of each audit a report will be produced and agreed with the Chief Executive. This details the terms of reference and scope of the audit, findings, recommendations and a management action plan. An executive summary which includes an audit opinion on controls will be included.

**4.2** An annual internal audit report shall be produced to the Board to provide an overall opinion on controls and detail the audit work for the year.

## **Internal Audit Plan**

**April 2015 to March 2016**

<b>Audit Areas</b>	<b>Plan Days</b>
Follow-up of previous audits and implementation of action plans	0.5
Planning, discussions, advice and reporting.	1
Systems Review	0.5
Transaction Tests	1.5
Testing and completion of Annual Return	0.5
<b>TOTAL</b>	<b>4</b>

This plan is based on the current ADA practitioners guide which requires revision especially with the introduction of the Local Audit and Accountability Act 2014. This could result in increased internal audit work.

**David Gowing**  
**Gowing Internal Audit Services Ltd**  
**May 2015**

**Black Sluice Internal Drainage Board**  
**Project Summary**  
**2015/16**  
**Period 01 - April 2015**

	2015/16 Current Period	2015/16 Actual YTD	2015/16 Budget	Actual / Budget Variance	2015/16 Forecast	Actual / Forecast Variance	2014/15 Actual YTD	2014/15 Variance
Rates & Levies	109,206	109,206	109,206	0	0	109,206	167,705	(58,499)
Interest & Grants	363	363	417	(54)	0	363	462	(100)
Other Income	2,614	2,614	6,801	(4,187)	0	2,614	4,166	(1,552)
Rechargeable Profit	164	164	0	164	0	164	22	142
<b>Total Income</b>	<b>112,347</b>	<b>112,347</b>	<b>116,424</b>	<b>(4,077)</b>	<b>0</b>	<b>112,347</b>	<b>172,356</b>	<b>(60,009)</b>
Schemes	668	668	40,000	39,332	0	(668)	17,960	17,291
Pumping Station Schemes	16,355	16,355	0	(16,355)	0	(16,355)	1	(16,354)
Pumping Station Maintenance	35,023	23,573	30,973	(4,050)	0	(35,023)	16,924	(6,941)
Electricity	11,450	11,450					11,158	0
Drain Maintenance	16,868	16,868	10,813	(6,055)	0	(16,868)	14,351	(2,516)
Environmental Schemes	333	333	2,707	2,374	0	(333)	1,644	1,311
Administration & Establishment	31,564	31,564	33,131	1,567	0	(31,564)	34,234	2,670
EA Precept	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>	<b>112,261</b>	<b>100,811</b>	<b>117,624</b>	<b>16,813</b>	<b>0</b>	<b>(100,811)</b>	<b>96,271</b>	<b>(4,540)</b>
<b>Surplus / (Deficit)</b>	<b>86</b>	<b>11,536</b>	<b>(1,200)</b>	<b>12,736</b>	<b>0</b>	<b>11,536</b>	<b>76,085</b>	<b>(64,549)</b>
<b>Movement on reserves</b>								
Development Reserve	0	0	0	0	0	0	0	0
Plant Reserve	(10,920)	(10,920)	(4,006)	6,914	0	10,920	(4,323)	6,597
Wages oncost Reserve	17,908	17,908	0	(17,908)	0	(17,908)	7,838	(10,070)
<b>Surplus / (Deficit)</b>	<b>(6,902)</b>	<b>4,548</b>	<b>2,806</b>	<b>23,730</b>	<b>0</b>	<b>18,524</b>	<b>72,569</b>	<b>(61,076)</b>

# Black Sluice Internal Drainage Board

## Income & Expenditure Summary

### 2015/16

Period 01 - April 2015

	2015/16	2014/15	Variance
Drainage Rates	109,206	167,705	(58,499)
Special Levies	0	0	0
Recoverable	30,164	712	29,452
Misc Income	2,977	4,700	(1,723)
	142,347	173,117	(30,770)
Employment Costs	77,369	69,999	(7,370)
Property	2,200	10,150	7,950
General Expenses	20,040	10,712	(9,328)
Materials / Stock	(1,390)	(17,042)	(15,652)
Motor & Plant	4,269	11,605	7,337
Miscellaneous	(40,231)	(93,834)	(53,603)
Recharges	54,392	88,014	33,621
Plant	21,151	20,944	(207)
<b>Total Expenditure</b>	<b>137,799</b>	<b>100,548</b>	<b>(37,251)</b>
<b>Net Surplus / (Deficit)</b>	<b>4,547</b>	<b>72,568</b>	<b>(68,021)</b>

**Black Sluice Internal Drainage Board**  
**Balance Sheet at Period End**  
**2015/16**  
**Period 01 - April 2015**

	<u>2015/16</u>		<u>2014/15</u>	
	£	£	£	£
Operational Land & Buildings Cost	737,739		937,739	
Pumping Stations Cost	3,861,354		3,861,354	
Non-operational Property Cost	90,000		90,000	
Vehicles, Plant & Machinery Cost	420,870		402,185	
<b>Fixed Assets</b>		5,109,963		5,291,278
Stock	35,775		29,910	
Debtors Cont	44,599		3,406	
VAT	51,989		33,986	
Grants Debtor	(244,115)		(94,006)	
Car Loans	8,000		0	
Prepayments	37,604		74,353	
Draw Acc	(138,336)		2,300	
Call Acc	345,433		235,195	
Petty Cash	118		439	
Rechargeable Work in Progress	(5,495)		(35,740)	
Natwest Government Procurement C	(1,045)		(169)	
Reserve Account	948,142		638,293	
<b>Total Current Assets</b>		1,082,668		887,967
Trade Creditors	(22,535)		(78,060)	
PAYE & NI Control Account	(15,139)		(14,563)	
Superannuation Contrl Account	(14,680)		(14,806)	
Union Subs Control Account	(138)		(57)	
AVC Control Account	(50)		(25)	
Accruals	(40,777)		(14,717)	
Attachment Orders Control Account	0		0	
Suspense	0		0	
<b>Total Liabilities</b>		(93,319)		(122,228)
Pension Liability		(3,264,000)		(2,919,000)
		2,835,311		3,138,017
Capital Outlay	5,080,536		5,291,278	
Pension Reserve	(3,264,000)		(2,919,000)	
<b>Total Capital</b>		1,816,536		2,372,278
General Reserve	669,501		254,299	
Development Reserve	142,316		134,767	
Plant Reserve	154,085		112,025	
Wage On-Cost Reserve	48,327		102,043	
Surplus/Deficit in Period	4,547		162,605	
<b>Total Reserves</b>		1,018,776		765,739
		2,835,311	0	3,138,017
<b><u>Cash &amp; Bank Balances</u></b>				
Drawings Account		(138,336)		
Call Account		45,433	345,433	
Natwest Reserve Account @ 0.15%		948,142		
Petty Cash		118		
Chargcard		(1,045)		
Monmouthshire BS @ 1.25%		300,000	30 Day Notice	
		1,154,311		

# **BLACK SLUICE INTERNAL DRAINAGE BOARD**

## **Executive Committee – 3<sup>rd</sup> June 2015**

### **AGENDA ITEM No 10**

#### **Pumping Station Insurance**

As reported to the Audit & Risk Committee on the 10th April 2015, Jackson Civil Engineers Ltd have completed their Cost Model Workings (Pumping Station Valuations) and their Construction and Methodology Reports (Refurbishment or Total Replacement Reports).

Attached are the current estimates for all Pumping Station renewals (excluding Allan House) with the various identified 'Uplifts'. The 'Uplifts' refer to the build ability associated with the ease of construction traffic access, there being seven differing categories incorporating differing percentage up-lifts in relation to the access restrictions. These restrictions could vary due to replacing old access culverts for construction traffic, new haul roads around farm buildings, unmanned rail crossing points, utility diversions etc.

The categories are listed below and the uplift can vary from £10k - £600k for each Pumping Station.

- Severely Restricted (+100%)
- Very Poor (+90%)
- Poor (+75%)
- Reasonable (+50%)
- Good (+25%)
- Very Good (+5%)
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The initial purpose of producing this study was to help understand if the Board has the correct levels of insurance cover for the replacement of its Pumping Stations. The current cumulative insurance valuation being c£58m with a value of c£66m to replace all thirty four pumping stations within five years.

The Boards current insured valuation is c£18m.

We have met with the NFU Mutual who have provided a premium increase quotation for £10,573.88 to increase our levels of cover to those calculated, we have in turn explained this information needs to go in front of the Board.

The NFU have stated we do however have to come up with a solution quickly now that we do know the values insured are incorrect. They have compared the old

sums insured against the new ones and they only represent approx. 26%. This effectively means that the NFU are insuring 26% and the Board are self insuring the other 74%. In the event of a claim there would be underinsurance and "average" would apply, which means that each party would contribute their relevant portion of the claim. Therefore on a partial loss claim, of say £500,000, the NFU would pay £130,000 (26%) and the Board would have to find the remainder, which is substantial.

The options they see at present to contain costs are as follows:-

1) Remove some stations from cover altogether and for the Board to self insure them.

2) Amend the basis of settlement from new for old to one of indemnity. This will allow the sums insured to be reduced and this will have a knock on effect to the cost. The sums insured would need to represent replacement on a like for like basis, including a deduction for wear, tear and depreciation, rather than new for old which was the basis of the valuation and is the basis of settlement currently under the policy.

3) The NFU have also asked whether there would be any premium saving, of any significance, if we stayed with new for old cover but amended to what is known as a first loss basis. This would provide cover for any loss up to the first loss sum insured that we decide to select, if we were unfortunate to have a loss in excess of the first loss sum insured then the Board would have to meet the additional outlay. The initial discussions for first loss are based on the maximum cost of any one pumping station at present. We all appreciate the vast spread of risk as the pumping stations are in very different locations to each other, and it is probable that only one station could or would be damaged in any one event. NFU's guess is that underwriters are pretty much rating on this basis but actually giving full cover on all items, and therefore they are not confident there will be any saving of any significance. The NFU will come back to us as soon as they hear from their underwriters on this.

Ian Warsap  
Chief Executive

Individually Delivered Programme of Works							
Location	Cost	Buildability	+Adj.	45% L&P	Uplift	65,283,358.86	
Donnington_Mallard_Hurn	1,151,209.79	Very good	5%	518,044.40	25,902.22	1,177,112.01	
Donnington_North_Ing	1,710,274.15	Poor	75%	769,623.37	577,217.53	2,287,491.68	
Bicker_Fen	1,216,669.69	Good	25%	547,501.36	136,875.34	1,353,545.03	
Swineshead	1,814,821.65	Poor	75%	816,669.74	612,502.31	2,427,323.96	
Kirton_Frampton	1,285,555.27	Good	25%	578,499.87	144,624.97	1,430,180.24	
Wyberton_Marsh	1,366,201.11	Severely restricted	100%	614,790.50	614,790.50	1,980,991.61	
Kirton_Marsh	1,218,503.79	Severely restricted	100%	548,326.70	548,326.70	1,766,830.49	
Ewerby	1,351,676.11	Poor	75%	608,254.25	456,190.69	1,807,866.80	
Heckington	1,606,628.97	Good	25%	722,983.03	180,745.76	1,787,374.72	
Great_Hale_Little_Hale	1,352,676.67	Very poor	90%	608,704.50	547,834.05	1,900,510.73	
Holland_Fen	1,483,912.15	Very good	5%	667,760.47	33,388.02	1,517,300.18	
Boston_West	1,495,238.15	Good	25%	672,857.17	168,214.29	1,663,452.45	
Damford_Grounds	1,423,710.70	Poor	75%	640,669.81	480,502.36	1,904,213.06	
South_Kyme	1,311,809.85	Poor	75%	590,314.43	442,735.82	1,754,545.67	
Trinity_College	1,394,960.70	Severely restricted	100%	627,732.31	627,732.31	2,022,693.01	
Helpringham	1,215,169.69	Reasonable	50%	546,826.36	273,413.18	1,488,582.86	
Swaton	1,224,669.69	Reasonable	50%	551,101.36	275,550.68	1,500,220.36	
Horbling	1,258,770.89	Reasonable	50%	566,446.90	283,223.45	1,541,994.33	
Billingborough	1,190,553.59	Reasonable	50%	535,749.11	267,874.56	1,458,428.14	
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Gosberton	1,283,116.27	Very good	5%	577,402.32	28,870.12	1,311,986.39	
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Pinchbeck_North_Fen	1,180,003.79	Good	25%	531,001.70	132,750.43	1,312,754.21	
Hacconby_Fen	1,241,479.79	Reasonable	50%	558,665.90	279,332.95	1,520,812.74	
Morton_Bourne	1,544,381.89	Reasonable	50%	694,971.85	347,485.93	1,891,867.82	
Dyke_Fen	1,247,661.89	Severely restricted	100%	561,447.85	561,447.85	1,809,109.73	
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Bicker_Eau	407,217.69	Very good	5%	183,247.96	9,162.40	416,380.09	
Donington_Wykes	432,518.73	Very good	5%	194,633.43	9,731.67	442,250.40	
5,892,975.28				1,352,497.39		51,587,645.41	
1 Pump				Overhead and Profit	7.5%	3,869,073.41	
2 Pumps				Statutory Undertakers	5.0%	2,579,382.27	
3 Pumps						6,448,455.68	
Submersible Pumps							
Costs Estimated at						58,036,101.09	
Cost as at April				2.70% per annum		61,212,358.86	
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# **BLACK SLUICE INTERNAL DRAINAGE BOARD**

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# Black Sluice Internal Drainage Board

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Unaudited Financial Statements  
For The Year Ended 31st March 2015

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<b>Statement of Accounting Policies</b>	<b>8 - 9</b>
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## Black Sluice Internal Drainage Board - Members

Elected Members		Electoral District
Mr M J Scott FCA. FRAGS	Chairman - Board	B
	Chairman - Executive Committee	
Mr K C Casswell	Vice Chairman - Board	E
	Chairman - Southern Works	
	Chairman - Bridges & Culverts	
Mr R Leggott	Chairman - Northern Works	A
Mr J R Wray	Chairman - Environment Committee	E
Mr W Ash		D
Mr J F Atkinson		D
Mr V A Barker		C
Mr J Fowler		G
Mr P Holmes		G
Mr P Robinson		B
Mr M Rollinson		F

### Members Appointed by District Councils

Boston Borough Council	
Mr M Brookes	Chairman - Audit & Risk Committee
Mr R Austin	
Mr P Bedford	
Mr C Brotherton	
Mrs C Rylott	
Mr P Skinner	
Mr N Welton	

South Holland District Council	
Mr R Clark	

South Kesteven District Council	
Mrs J Harrison	

North Kesteven District Council	
Mr D R Dickinson	

Senior Officers	
Mr Ian Warsap Bsc. C Eng	Chief Executive Officer
Mr Daniel Withnall MCGI MInstLM FMAAT	Finance Manager

# ANNUAL REPORT

## **Introduction**

The Black Sluice Internal Drainage Board is an independent body created under land drainage statutes responsible for flood risk, land drainage and water level management works, other than on main rivers, in the Black Sluice IDB area. Board Members are either elected by and represent the occupiers of land in the area or are nominated by the District Councils in the Board's area. The Board consists of 11 elected members and 10 nominated members. Further details are on page 3.

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 that protect the drainage district.

This document is the statement of Accounts of Black Sluice IDB for the financial year ending 31st March 2015, set out on pages 6 to 14. The accounts consist of:

## **The Annual Governance Statement**

The system of internal control is designed to manage the risk to a reasonable level, the IDB's statement details how this is achieved.

## **The Statement of Responsibilities**

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

## **The Statement of Accounting Policies**

This statement details the legislation and source of accounting principles on which the financial statements are prepared.

## **The Income and Expenditure Account**

This statement summarises the resources that have been generated and consumed in providing services and managing the IDB during the last year.

## **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 and the fixed and net current assets employed in its operation, together with summarised information on the fixed assets held. The statement also includes assets and liabilities of the Board.

## **Notes to the Accounts**

The notes relating to the statements above are detailed after the core statements.



# THE ANNUAL GOVERNANCE STATEMENT

We acknowledge as the Members of the Black Sluice 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 31st March 2015, that:

	Agreed - Yes or No	Yes' means that the board:
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	Yes	prepared its accounting statements in the way prescribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption <b>and</b> reviewed its effectiveness.	Yes	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 codes of practice that could have a significant effect on the ability of the Board to conduct its business or on its finances.	Yes	has only done things that it has the legal power to do and has <b>complied with proper practices in doing so.</b>
4 We provided proper opportunity during the year for exercise of electors rights in accordance with the requirements of the Accounts and Audit Regulations.	Yes	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 <b>and</b> took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes	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.	Yes	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 the reports from internal and external audit.	Yes	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 year-end, have a financial impact on the board and where appropriate have included them in the accounting statements.	Yes	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 body and recorded as minute reference ..... dated 17th June 2015.

Signed on behalf of Black Sluice Internal Drainage Board.

.....  
Mr Michael Scott  
Chairman  
17th June 2015

.....  
Mr Daniel Withnall  
Finance Manager  
17th June 2015

# THE STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS

## **The Board is required:**

- a) 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 Finance Manager.
- b) to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

## **The Finance Manager's Responsibilities**

The Finance Manager is responsible for the preparation of the 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 2015.

In preparing this statement of accounts, the Finance Manager has:-

- a) selected suitable accounting policies and then applied them consistently,
- b) made judgement and estimates that were reasonable and prudent,
- c) compiled the accounts in accordance with UK Generally Accepted Accounting Practices,
- d) applied the accounting concept of a 'going concern' by assuming that the IDB will continue to operate for the foreseeable future.

The Finance Manager has also:-

- a) kept proper accounting records which were up to date;
- b) taken reasonable steps for the prevention and detection of fraud and other irregularities.

## **Certificate of the Finance Manager**

These Financial Statements present a true and fair view of the financial position of the Board at 31st March 2015 and its income and expenditure for the year then ended.

.....  
Mr Daniel Withnall  
17th June 2015

## **Certificate of the Chairman of the Board**

I confirm that these accounts have been approved by the Black Sluice Internal Drainage Board at a meeting held on the 17th June 2015.

.....  
Mr Michael Scott  
17th June 2015

# STATEMENT OF ACCOUNTING POLICIES

## 1. General

These accounts have been prepared in accordance with the following accounting concepts:- Accruals, Relevance, Consistency, Reliability, Comparability, Understandability, Materiality and Going Concern.

## 2. Fixed Assets

Fixed assets are recognised as expenditure on acquisition, creation or enhancements with a value in excess of £5,000 and a useful life in excess of one year.

Fixed assets are valued on the following basis:-

- a) Land is included at historic cost.
- b) Operational Buildings are included in the balance sheet at valuation. The Offices and Depot were valued on 31st March 2011 by Mr Robert J Hurst FRICS FAAV, Chartered Surveyor, at market value. It is the Boards intention to value Operational Buildings at an open market value every five years and not depreciate in the intervening years.
- c) Pumping Stations were valued on 31st March 2009 by Mr JW Castley FRICS FAAV, Chartered Surveyor, at open market valuation. It is the Boards intention to value Pumping Stations at an open market value every ten years and not depreciate in the intervening years.
- d) Non - Operational Property is included in the balance sheet at market value. It was valued on 31st March 2011 by Mr Robert J Hurst FRICS FAAV, Chartered Surveyor, at market value. It is the Boards intention to value non-operational property at an open market value every five years and not depreciate in the intervening years.
- e) Vehicles, Plant & Equipment are included at cost less depreciation.

Disposals are written off at cost less depreciation. Any surplus/deficit arising is charged/credited to the appropriate reserve.

Depreciation has been provided on a straight line basis, on motor vehicles and equipment, excavators and plant, computers, office equipment with a purchase cost in excess of £5,000.

Plant & Vehicles	7 Years
Equipment	4 Years

## 3. Income

Income includes drainage rates on local agricultural land and buildings, special levies on district/borough councils, recharged works, government grants, rental income and interest on investments. Where applicable, this is net of Value Added Tax and is recognised when the Board has a right to receive the income.

## 4. Expenditure

Expenditure is included on an accruals basis.

## 5. Stock & Work in Progress

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

## 6. Government Grants and Contributions

Government grants and contributions have been credited to the income and expenditure account on an accruals basis. Government grants used for the acquisition of fixed assets have been deducted from the purchase price of the asset.

**7. Provisions**

The Board sets aside provisions where there is a definite liability, but the amount and timing of settlement is not known. Details are given as notes to the accounting statements.

**8. Pensions**

The Board paid an employers contribution of £193,851 on employees pensionable pay into the Lincolnshire County Council pension fund

**9. Discontinued Operations**

The Board had no material operations which it acquired or which were discontinued in the year and therefore no separate disclosure is required in respect of the Income and Expenditure account and balance sheet accounts.

**10. Internal Interest**

Interest is allocated to the Income and Expenditure Account, Development Fund, Plant Fund and Wages Oncost Fund based on the average level of their balances.

## Black Sluice Internal Drainage Board Income and Expenditure Account For Year Ended 31st March 2015

	Note	2014/15	2013/14
<b>Income</b>		<b>£</b>	<b>£</b>
Drainage Rates		1,023,319	1,011,213
Special Levies on Councils	1	971,479	959,225
DEFRA Grants	2	574,000	238,032
Sundry Income	3	224,969	13,865
Income from Rechargeable Works		186,956	271,771
Rental Income		12,445	8,188
Development Reserve Contribution		5,000	5,000
Interest		4,525	4,340
		<b>3,002,693</b>	<b>2,511,634</b>
<b>Expenditure</b>			
Asset Refurbishments	4	801,120	492,592
Drain Maintenance		623,522	679,510
Pumping Stations		323,689	358,172
Administration Costs		305,718	312,135
Environment Agency Precept		276,552	276,552
Cost of Rechargeable Works		164,769	196,398
Depot Costs		70,405	50,625
Establishment Charges		60,477	82,852
Miscellaneous Charges		35,479	16,431
Environmental Schemes		15,797	15,612
		<b>2,677,528</b>	<b>2,480,879</b>
<b>Surplus / (Deficit)</b>		<b>325,165</b>	<b>30,755</b>

# Black Sluice Internal Drainage Board

## Balance Sheet as at 31st March 2015

	Note	2014/15	2013/14
<b>Fixed Assets</b>			
Pumping Stations		3,861,354	3,861,354
Land & Buildings		737,739	937,739
Vehicles, Plant & Equipment		391,443	402,185
Non Operational Assets		90,000	90,000
	8	5,080,536	5,291,278
<b>Current Assets</b>			
Stock		38,027	34,076
Debtors & Prepayments	9	408,182	113,195
Cash at bank & in hand	10	1,164,433	782,198
		1,610,642	929,469
<b>Current Liabilities</b>			
Creditors	11	(596,414)	(236,298)
<b>Net Current Assets</b>		1,014,228	693,171
<b>Liability related to defined pension scheme</b>		(3,264,000)	(2,919,000)
<b>Total Assets less Liabilities</b>		2,830,764	3,065,449
Capital Reserve		5,080,536	5,291,278
Pension Reserve		(3,264,000)	(2,919,000)
		1,816,536	2,372,278
Revenue Reserve		669,500	344,335
Development Reserve		142,316	134,767
Plant Reserve		154,085	112,025
Wages Oncost Reserve		48,327	102,044
		1,014,228	693,171
	12	2,830,764	3,065,449

Mr M J Scott  
Chairman  
17th June 2015

Mr DJ Withnall  
Finance Manager  
17th June 2015

# Black Sluice Internal Drainage Board

## Notes to the Accounts

	2014/15	2013/14
<b>1 Special Levies</b>	£	£
Boston Borough Council	734,008	724,807
South Holland District Council	122,051	120,406
North Kesteven District Council	58,783	55,946
South Kesteven District Council	56,637	58,066
	<b>971,479</b>	<b>959,225</b>

	2014/15	2013/14
<b>2 Government Grants received from Defra</b>	£	£
Graft Drain Improvements	22,000	
Swineshead Culverts - Phase 1	10,000	
Wyberton Catchment Improvements	459,000	
Sempringham Fen PS - Weedscreen Cleaner	8,000	
Kirton Meeres Long Culvert	2,000	
Eel Passes - Chain Bridge & Cooks Lock	73,000	
Wyberton Marsh Pumping Station Resilience		79,932
Horbiling Pumping Station Weedscreen Cleaner - H&S		83,100
Wyberton Marsh Catchment Study		5,000
Kirton Marsh Pumping Station Resilience		30,000
Syphons Grill Protection		40,000
	<b>574,000</b>	<b>238,032</b>

	2014/15	2013/14
<b>3 Sundry Income</b>	£	£
Sundry Income	24,969	13,865
Sale of Carlton Road Offices	200,000	0
	<b>224,969</b>	<b>13,865</b>

	2014/15	2013/14
<b>4 Asset Refurbishments</b>	£	£
Drain Asset Improvements	613,074	168,889
Pumping Station Refurbishments	188,046	323,703
	<b>801,120</b>	<b>492,592</b>

### 5 Remuneration

The table below shows the number of employees whose remuneration was greater than £50,000:

Band £	2014/15	2013/14
50,000 to 59,999	0	0
60,000 to 69,999	1	1
	<b>1</b>	<b>1</b>

### 6 Audit Fees

	2014/15	2013/14
	£	£
Fees paid to the Board's External Auditor	2,400	2,400
	<b>2,400</b>	<b>2,400</b>

### 7 Related Party Transactions

Some members of the Board pay Drainage Rates at the prevailing rate.

# Black Sluice Internal Drainage Board

## Notes to the Accounts

### 8 Tangible Fixed Assets

	Land & Operational Buildings £	Pumping Stations £	Non Operational Property £	Vehicles, Plant & Equipment £	Total £
<b>Cost</b>					
Opening Balance	937,739	3,861,354	90,000	1,147,160	6,036,253
Additions	0	0	0	99,785	99,785
Disposals	(200,000)	0	0	(23,274)	(223,274)
Revaluation	0	0	0	0	0
<b>As at 31st March 2015</b>	<b>737,739</b>	<b>3,861,354</b>	<b>90,000</b>	<b>1,223,671</b>	<b>5,912,764</b>
<b>Depreciation</b>					
Opening Balance	0	0	0	(744,975)	(744,975)
Disposals	0	0	0	14,949	14,949
Charge for year	0	0	0	(102,202)	(102,202)
<b>As at 31st March 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(832,228)</b>	<b>(832,228)</b>
<b>Net Book Value</b>					
<b>As at 31st March 2014</b>	<b>937,739</b>	<b>3,861,354</b>	<b>90,000</b>	<b>402,185</b>	<b>5,291,278</b>
<b>As at 31st March 2015</b>	<b>737,739</b>	<b>3,861,354</b>	<b>90,000</b>	<b>391,443</b>	<b>5,080,536</b>

### 9 Debtors & Payment in Advance

	2014/15 £	2013/14 £
Grants Debtor	239,085	0
HM Revenue & Customs (VAT)	81,953	21,370
Prepayments	41,515	26,772
Trade Debtors	20,323	63,639
Officers Car Loans	8,000	0
Rechargeable Work in Progress	17,257	0
Drainage Rate Debtors	49	1,414
	<b>408,182</b>	<b>113,195</b>

### 10 Cash at Bank & in hand

	2014/15 £	2013/14 £
Bank Deposits	1,164,222	781,908
Petty Cash	211	290
	<b>1,164,433</b>	<b>782,198</b>

### 11 Creditors

	2014/15 £	2013/14 £
Trade Creditors	207,399	228,961
Accruals	389,015	0
Wages & Salaries Control	0	7,337
	<b>596,414</b>	<b>236,298</b>



## 12 Reserves

	Balance 31/03/2014	Additions in Year	Withdrawals in year	Balance 31/03/2015
Capital Reserve	5,291,278	99,785	(310,527)	5,080,536
Pension Reserve	(2,919,000)		(345,000)	(3,264,000)
Revenue Reserve	344,335	325,165		669,500
Development Reserve	134,767	12,549	(5,000)	142,316
Plant Reserve	112,025	141,845	(99,785)	154,085
Wages Oncost Reserve	102,044	23,701	(77,418)	48,327
	3,065,449	603,045	(837,730)	2,830,764

**Development Reserve-** The Board makes a one off charge to developers to allow an increase in flow into the Board's drainage system. These charges are kept in the Development Fund and used to fund future improvements to the Board's drainage system to accommodate these additional flows.

**Plant Reserve -** The Plant Fund generates income internally throughout the year from all works carried out using the Board's plant. Offset against this income are all the expenses related to the plant and the fund is built up to replace the plant items when required. The depreciation is also charged to this account.

**Wages Oncost Reserve -** The Wages Oncost Fund generates income internally throughout the year from all work using the Board's Labour. Offset against this income are all the expenses related to employing the workforce.