

BLACK SLUICE

INTERNAL DRAINAGE BOARD



Executive Committee Meeting

Tuesday, 23rd May 2023 at 2pm

Station Road, Swineshead, Lincolnshire PE20 3PW



Black Sluice Internal Drainage Board

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Our Ref: IW/DPWB10_1

Your Ref:

Date: 16th May 2023

To the Chairperson 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 Tuesday, 23rd May 2023 at 2:00pm at which your attendance is requested.

Chief Executive

AGENDA

1. Recording the meeting.
2. Apologies for absence.
3. Declarations of interest.
4. To receive and, if correct, sign the Minutes of the meeting held on 17th January 2023 **(pages 1 - 9)**
5. Matters arising.
6. To receive a report on the 2022/23 accounts:
 - (a) Period 12 Management Accounts **(pages 10 - 17)**
 - (b) 2022/23 Schemes Report **(pages 18 - 20)**
 - (c) Draft 2022/23 Unaudited Financial Statements **(under separate cover)**
 - (d) Annual Governance & Accountability Return for the year ended 31st March 2023 (AGAR) **(pages 21 - 26)**
7. To receive the 2022/23 Annual Internal Audit Report **(pages 27 - 36)**
8. To receive a report on Finance & Rating:
 - (a) Updated 2023/24 10 Year Schemes Budget **(page 37)**
 - (b) Updated 2023/24 10 Plant Replacement Budget **(page 38)**
 - (c) Updated 10-year estimates to reflect Scheme Updates and 2022/23 year end position **(page 39)**
9. To review and approve accounts of Bourne Fen Farm Account **(pages 40 & 41)**
10. To consider Period 01 Management Accounts **(pages 42 - 48)**
11. **CONFIDENTIAL** - To review a report on the future arrangements of the Board **(pages 49 - 71)**
12. Any other business.
 - (a) To consider whether unconfirmed minutes of Board and Committee meetings should be published on the website **(verbal)**

BLACK SLUICE INTERNAL DRAINAGE BOARD

MINUTES

of the proceedings of a meeting of the Executive Committee

held at the offices of the Board on
17th January 2023 at 2pm

Members

Chairperson - Mr K C Casswell

* Cllr P Bedford

* Mr J Fowler

Mr M Rollinson

Mr M Brookes

* Mr P Holmes

* Member Present

In attendance: Mr D Withnall (Finance Manager)

Mr P Holmes chaired the meeting.

2077 Recording the Meeting - Agenda Item 1

Committee members were informed that the meeting would be recorded.

2078 Apologies for absence - Agenda Item 2

Apologies of absence were received from Mr K Casswell, Mr M Rollinson, Mr I Warsap and Mr M Brookes.

2079 Declarations of Interest - Agenda Item 3

There were no declarations of interest.

2080 Minutes of the Meeting - Agenda Item 4

Minutes of the meeting held on 13th December 2022, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

2081 Confidential Minutes of the Meeting - Agenda Item 5

Confidential Minutes of the last meeting held on 13th December 2022, copies of which had been circulated, were considered and it was AGREED that they should be signed as a true record.

2082 Matters Arising - Agenda Item 6

(a) 10 Year Plant Replacement Budget – New JCB 140X – Minute 2071(a)

The Finance Manager informed the committee that the JCB Excavator being replaced has been placed at the front of the depot for sale and have had two interested parties. As soon as a delivery date for the new excavator is known, sealed bids will be invited.

(b) Pay Award 2023/24 – Minute 2071(k)

The Finance Manager reminded the committee of the revised employer offer presented to the Union, following the first being rejected, as below:

Using The Office for National Statistics Earning 01 Average Weekly Earnings – Total Pay, Great Britain (Seasonally Adjusted)

Provisional July Figure, published in September, for the public sector, 12-month average (August of the previous year to July of the current year) of the Single Month Changes (KAC8), % change year on year (2.1%)

In addition, for 2023/24 an un-consolidated payment of £1,800 will be paid in addition to the salary in two equal payments of £900 in April 2023 and September 2023.

The Finance Manager next displayed the following response received from the Union:

Thank you for your email last week including the revised pay offer. The union branch held a virtual meeting last week for members to discuss the pay negotiations, including the latest pay offer.

The overwhelming view from the members that attended was that this offer is still not acceptable. Specifically, they considered the consolidated percentage figure of 2.1% to be too low and were unhappy that a large element of the offer is unconsolidated.

We are prepared to put the revised pay offer to a ballot of members, however every indication from the meeting was that the offer is still unacceptable and would most likely be rejected again. If we do go ahead with a ballot on the current offer, given the feedback we have received, the Branch Officers will probably have to recommend that members should reject the offer. The ballot will also inform voters that a rejection may include the possibility of industrial action. It is worth noting that had the previous ballot been an industrial action ballot, the required threshold (i.e., 50% return rate, with a 51% rejection rate) would have been achieved.

With this in mind we would like to meet with you (the employers side) as soon as possible to discuss how the offer could be improved to a level acceptable to staff.

The Finance Manager highlighted that with both the consolidated 2.1% increase and additional unconsolidated payment of £1,800 this equates to an increase of 10.97% for the lowest paid employees, which has been dismissed by the Union without going to ballot. The Finance Manager continued that he, as Secretary of the ADA Pay & Conditions Committee, has replied to the Union requesting that the Union state what it is they are looking to achieve. The Finance Manager added that to address the concerns from the Union in relation to the lump sum being unconsolidated the employers accepted that this would be a one-year deal only and this would then give opportunity to negotiate next year's Pay award (2024/25), if the Average Weekly Earnings index did not increase as it is expected to do so.

The Finance Manager noted that the current approved offer by the ADA Lincs Branch is 2.1% consolidated with £1,500 unconsolidated. The next ADA Lincs Branch meeting is on 23rd February and is the only one scheduled prior to the new financial year on 1st April and so the new proposal needs to be presented at the February meeting.

It was confirmed that there are 10 out of 25 Black Sluice IDB employees who are part of the Union, however, it is not known who, nor is it allowed to be asked.

It was also added that the Finance Manager had a meeting with the Workforce prior to Christmas to explain to them the offer being proposed and the percentage increase it works out at with the unconsolidated lump sum.

The Finance Manager clarified that it is only 2.1% consolidated because that is what the formula is and, both employers and the Union, were keen to stick to using the formula if possible. The formula looks back over the last twelve months and so it is expected that the formula will be a much higher percentage next year.

Mr J Fowler noted that the Union have used the 2.1% as a headline to present to their members, without the unconsolidated additional payment.

(c) GIS & Environmental Technician – Minute 2071(l)

This job role has been reviewed and re-titled the 'Technical Engineer'. It was advertised before Christmas, with a closing date of the 22nd January. There have been five applicants so far.

(d) 2023/24 budget and 10-year estimates – Minute 2073(a)

Cllr P Bedford questioned whether any response has been received from any of the councils in relation to the correspondence sent to them regarding the proposed increase of 27.86%?

The Finance Manager responded that he has had no response, although he has spoken with a member of staff that covers Boston Borough Council and South Holland District Council, who was asking for the Special Levy figures, and was not aware of the letter that had been sent. The Finance Manager told her the anticipated figures and forwarded the letter regarding the proposed increase.

Cllr P Bedford noted that a councillor had been interviewed on the local radio regarding the local department store closing down and that it was mentioned about the impact of the increase for the IDBs.

Mr P Holmes referenced a news article regarding the difficulties faced by the councils with an IDB in their district. The Finance Manager noted that he has forwarded it on to ADA, who have engaged with the journalist and Lord Porter and invited the journalist to the Environment Day at Peterborough.

Mr J Fowler referred to the new pumping regime trialled to try and save money, questioning if the levels have now been reduced, noting that he has had concern from a farmer in South Kyme. The Finance Manager noted that he has got an update on this at Minute 2084.

(e) 10 Year Plant Replacement Budget - Minute 2073(b)

The Finance Manager informed the committee that the Operations Manager and Pump Engineer visited Holland last week to view the Hooby machine by Aquatic Control Engineering (ACE). The Operations Manager has reported that it looks a good machine. The Finance Manager noted his only concern that they are only producing 10 per year. The Operations Manager and ACE are currently looking at buy back and extended warranty, it being confirmed that JCB would service the machine. The Operations Manager feels it is a potential replacement for the Twiga in April 2023 and so will be presenting it to the Board in February.

Mr P Holmes noted that he has spoken with an operative of the Welland and Deepings IDB who has expressed that there have been problems with their JCB Hydradig.

(f) South Lincs Reservoir – Minute 2075(a)

The Finance Manager explained that he attended a meeting last week regarding the open water transfer possibility and presented some slides that were presented at that meeting, displaying options for the transfer.

The Finance Manager explained that the baseline being looked at is a long pipe from upper River Witham all the way to the reservoir (option S0). A second option is a shorter pipe from the other side of Langrick Bridge into the South Forty Foot Drain (SFFD) (option S1). The open channel transfer option from the Witham to the SFFD was also displayed (option S2), in addition to another option, which could be piped or open transfer, involving connecting the SFFD and Glenn (option S3). This would allow for navigation but also for the emergency discharge route to be into the SFFD, it then being possible to discharge water out both at Boston and down the Glenn. There were two further possible options displayed, option S4, the completion of the Boston to Peterborough Wetland Corridor (B2PWC) and option SY, involving repairs / reinstatement of Foss Dyke Canal Banks.

The Finance Manager next displayed an Environmental Appraisal Summary of the transfer route options, it showing that option S2 (open channel transfer option from the Witham to the SFFD) has the most environmental benefits.

Finally, the Finance Manager presented the high-level findings of what benefits each of the options could offer. He explained that the '0' point of the graph is the cost of the baseline option (piped transfer from the Witham to the reservoir). Anything above the '0' baseline are the additional benefits that the route would provide, and anything shown below the '0' baseline is additional cost of that route. Option S4 (completion of the B2PWC) offers the most additional benefit but also the most additional cost.

(g) Training Day Lunch – 22nd December 2022

Mr P Holmes noted that Ellenders, Boston United served a good meal at the training day and that it was well received by employees.

2083 Period 09 Management Accounts - Agenda Item 7

The Finance Manager highlighted the following points in the Period 09 Management Accounts:

Income

- Interest is £5,086 up on budget
- Rechargeable income £7,242 more than budget YTD
- Solar income £1,080 more than budget YTD

Expenditure

- Electricity – the depot and pumping stations are split into two categories; half-hourly's (larger pumping stations) and non-half-hourly's (smaller pumping stations and depot). On the smaller pumping stations the prices were fixed individually for October, November and December 2022 and have now been fixed for January – March 2023. On the larger pumping stations the prices were fixed from October 2022 – March 2023. The Finance Manager explained that all he has received so far for the smaller pumping stations are the bills for October, and some for November which were wrong. He has not yet had anything for December or January 2023 with the new price and so is still working with estimates.

Mr J Fowler noted that he received an email from Woldmarsh this morning explaining that the November and December Npower bills are all muddled and so they are behind with this.

The Finance Manager continued that the government relief for October for the smaller pumping stations was 7.4p per kWh and for the large pumping stations 34.5p per kWh. The current government relief scheme only lasts until the end of March 2023. The Government has announced a new Energy Bills Discount Scheme from April 2023 to April 2024 for eligible non-domestic consumers. The capped price is currently at £211 per megawatt hour (21.1p/kWh), from April 2023 the price threshold will increase to £302 per megawatt hour (30.2p/kWh).

2084 2023/24 Budget & Ten-Year Estimates - Agenda Item 8

The Finance Manager highlighted the following points:

Rates & Levies

The Finance Manager explained that he has followed the direction of this committee to increase the rates as decided at the meeting held in December 2022, the big driving factor for the increase being the cost of electricity. The committee also decided at the December meeting to abandon the reserves policy and, instead, aim towards being able to pay the electricity bills for two consecutive wet years, which is what the Finance Manger has aimed to do. It will take at least eight years to get close to this point and the estimated reserve at the end of 2023/24 would not quite cover the cost of the electricity of one wet year (as per the estimates used in the December meeting).

The Finance Manager confirmed that he has written to the four councils within the Board's catchment and the appointed members to inform them of the Board's intention to increase the rate by 27.86% but has not received any responses.

It was also noted that the land movements from agricultural rates to special levy due to development have been identified, with the below increases:

| | 2022/23 Special Levy | 2023/24 Proposed Special Levy | Increase due to Rate Increase | % | Increase due to Development | % |
|---------------------------------|-----------------------|-------------------------------|-------------------------------|---------------|-----------------------------|--------------|
| Boston Borough Council | £ 885,734.14 | £ 1,139,128.16 | £ 246,790.99 | 27.86% | £ 6,603.03 | 2.68% |
| South Holland District Council | £ 166,133.38 | £ 213,985.74 | £ 46,289.53 | 27.86% | £ 1,562.83 | 3.38% |
| North Kesteven District Council | £ 75,250.35 | £ 97,415.80 | £ 20,966.91 | 27.86% | £ 1,198.54 | 5.72% |
| South Kesteven District Council | £ 63,232.70 | £ 80,851.16 | £ 17,618.46 | 27.86% | £ - | 0.00% |
| | £ 1,190,350.57 | £ 1,531,380.86 | £ 331,665.89 | 27.86% | £ 9,364.40 | 2.82% |

The Finance Manager continued by noting that the Board is required to review the composition of the Board every three years based on the income from rates in the first year of that three-year period. The three-year period comes to an end on 31 March 2023 and so the income for year ended 31 March 2021 will be used for this review. In the financial year ended 31 March 2021 49.95% of rates income were from agricultural rate payers and 50.05% were from Special Levies on Councils. The number of appointed members per council is based upon their contribution to the Special Levy, ignoring any fraction. When this is applied to the contributions of YE 31 March 2021, it comes out as 9 for Boston Borough Council, 1 for South Holland District Council and two additional appointments to be agreed. The Finance Manager therefore suggested that he would propose that they suggest 9 Boston Borough Council, 1 South Holland District Council, 1 North Kesteven District Council and 1 South Kesteven District Council. The Finance Manager also confirmed that there is no requirement for the Board to get an approval from the Minister. It was further noted that the appointed members don't necessarily have to be councillors, the council can appoint who they want.

The Finance Manager further noted that they are trying to get the Special Levy listed separately, further noting that he attended a meeting in November with Defra, they left the meeting with actions to see what could be done, and to date there has been no update or progress since the meeting.

All AGREED to propose, to the Board, that Boston Borough Council have nine appointed members (currently seven), South Kesteven District Council have one appointed member (currently one), North Kesteven District Council have one appointed member (currently one) and South Holland District Council have one appointed member (currently one).

Capital Schemes

This has previously been presented to the Joint Works Committee and ratified at the following Board meeting. Schemes included in the budget total £677,139 but only £249,000 is a cost to the Board. £163,139 relates to a grant received in a previous year to complete the Sempringham Pumping Station refurbishment, which has been delayed due to Covid and legal agreement difficulties.

The Finance Manager highlighted the only two schemes that have been added to the 2023/24 budget, compared to the one approved by the Board, both relate to the inspection of pumping station suction bays. Swineshead Pumping Station will be inspected during the desilting work, this financial year, and Great Hale and Trinity College Pumping Stations are included as separate schemes. They will all be programmed in going forward.

Pumping Station Maintenance

The Finance Manager referred back to the electricity costs, presenting on screen a trace of Wyberton Pumping Station, the aim being to compare how much pumping was being done during the day, and how much at night.

The Finance Manager highlighted on screen the difference in day rate to night rate of all the pumping stations, the most extreme being Cooks Lock Pumping Station which is £1.21 per kWh day rate and only 21 pence per kWh night rate. The Finance Manager therefore explained that the team have been looking at what savings could be made if only pumping during the night.

The Finance Manager referred back to the Wyberton Marsh Pumping Station trace and displayed on screen the calculations showing that a saving of £389.48 could have been made, in the period of one week, if that pumping had been done at night. This would equate to over £10,000 over 26 weeks.

The Finance Manager further explained that the team have calculated the cost to run each pump for one hour during the day verses one hour during the night, highlighting the difference such as Black Hole Drove costing £72.66 per hour during the day compared to £25.81 per hour during the night. Allen House Pumping Station is the only pumping station with the same rate for day and night.

The Finance Manager next explained that the team have looked at running the pumping stations as little as possible during the day and setting a sensible emergency level that isn't the emergency profile level. Further explaining that they have increased the day level, but to counteract this, have lowered the night level and increased the amount it will be pumped down.

The Finance Manager referred specifically to South Kyme Pumping Station, explaining that the levels have been adjusted and are now -0.85m ODN at night and will be allowed to get up to 0.0m ODN during the day. The Finance Manager noted that feedback will be received, but that the Board are having to make these changes due to the rise in electricity costs, and therefore, pumping costs.

The Finance Manager also noted the advantage of now being able to control the pumping stations remotely. It was noted that Twenty Pumping Station has a problem with weed and so must have a person there when used, but it is only a booster to Black Hole Drove Pumping Station.

Mr J Fowler and Mr P Holmes felt it made sense.

The Finance Manager continued that he hasn't made any changes to the estimates because he is not confident to do so until there is more certainty in the level of the bills, the relief from central government and any additional assistance that DEFRA may be able to identify.

The committee thanked the Finance Manager for the work done on electricity.

Administration and Establishment

Admin salaries – It was noted that no adjustments have been made in relation to the Chief Executive retiring, due to the expectation that some existing employees will have a change in their responsibilities and an additional person will also require recruiting.

IT – IT costs are increasing due to the increase in cyber security measures etc. The Finance Manager also felt that, going forward, the Board will become more reliant on the support of HBP, due to the Finance Manger currently taking the lead on it, which will have to be led by somebody else following the retirement of the Chief Executive.

Depot - Electric is estimated to be double the cost of last year.

Bungalow – The Committee agreed a maximum of £6,000 be allowed to replace the kitchen, only £3,000 has been included in the budget.

Admin & Establishment Overall – Increase of 5.23% (including the full £6,000 for the replacement of the bungalow kitchen).

Development Reserve

The estimated balance for this at the end of this financial year is £473,907. There is no expenditure currently planned for this reserve, although it may be used for works at the Quadrant.

Cllr P Bedford questioned if there has been any progress on the realignment of the main drain at the Quadrant? The Finance Manager noted that this is the work he was referring to, noting that conversations are still ongoing.

Wages On-Cost Reserve

The Finance Manager noted to the committee that on-cost rate is 260% and that it is estimated that at the end of the financial year the reserve will be circa £100,000 positive. The Finance Manager continued by explaining that this is due to the workforce vacancies. Of the twelve months used to produce the budget, there were only three months where the Board was fully staffed, which reduced the basic pay charged to the account by c£35,000. The Finance Manager noted that he is reluctant to reduce the on-cost rate now, to then have to increase it again in the future.

Mr P Holmes noted that he had queried the amount of overtime budgeted for (less than actual last year). The Finance Manager explained that a detailed breakdown has been produced to generate the number of hours overtime required in the following year.

General Reserve

The Finance Manager noted again that the rate for 2023/24 has been set including electricity consumption at the average of the last 6 years, with the general reserve being sufficient to cover the cost, if the consumption required, was as per a wet year. The balance estimated at the end of 2023/24 on this basis is £750,552. A wet year in 2032/33, using the same percentage increases as currently, would cost £2,369,286 in pumping station electricity and therefore the target for the reserve would be twice this at £4,738,572. The current estimate is £4,501,575.

Mr P Holmes noted that if there was another wet year within the ten year period which used the reserves, the Board will have to start again. Mr P Holmes noted the importance of monitoring this and taking a proactive approach.

The Finance Manager noted that the Board will still be within the Joint Panel on Accountability and Governance (JPAG) Practitioners Guide which states:

“The generally accepted recommendation with regard to the appropriate minimum level of a smaller authority’s general reserve is that this should be maintained at between three and twelve months of net revenue expenditure”.

The estimated reserve included for 2032/33 (£4,501,575) equates to 10.5 months of the net revenue expenditure.

The following documents were noted in conjunction with the above:

- Budget with Ten-Year Estimates
- 2023/24 Summary budget by month
- 2023/24 Detailed budget by month
- 10 Year Capital Schemes
- 2023/24 Wages On-cost Reserve Budget
- 10 Year Plant Replacement Budget
- 2022/23 Cumulative Solar Panel Report

Interest rates

Mr J Fowler questioned if there had been any increase in interest rates on the deposit accounts? The Finance Manager responded that he hasn’t had any formal notification, but that fact that the budget is £5,000 on the Period 09 accounts more YTD, it is heading in the right direction. Mr J Fowler noted that he believed Monmouthshire were giving 3% on instant access.

2085 Any Other Business - Agenda Item 9

(a) Difference in run-off water between cropped land and ploughed land

Mr J Fowler referenced the difference in runoff water between that of ploughed land and that of cropped land. Mr J Fowler noted that he has set up a little ongoing experiment and has found that a cropped field has significantly more runoff and therefore is putting more water in the drain in comparison to a ploughed field.

Mr J Fowler therefore felt that the ploughed land in the Board’s catchment is an attenuation for the system compared to cropped land. Further noting that the current agricultural direction from Defra is to crop all year round, which Mr J Fowler felt would make a difference to the amount of water being put in the drains and Board’s system.

Mr P Holmes questioned whether this would be different in a prolonged fluvial event? Mr J Fowler didn’t believe so, being of the opinion that once the cropped land reaches field capacity it will stay at capacity.

Mr J Fowler noted that he is currently trying to identify a way to measure the water output from land drains, noting that he is starting with CCTV.

There being no further business the meeting closed at 15:32.

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 23 MAY 2023

AGENDA ITEM 06(a)

PERIOD 12 MANAGEMENT ACCOUNTS

Income

- Overall rates and Levies for the year is £10,579 more than we originally included in the budget
 - £1842.22 remains to be collected, most by the bailiff, which is included in these figures.
- The interest and Brewin Dolphin income included in the Year End Accounts is only that attributable to the general reserve.
 - Total Interest received in the year is £11,250 compared to a budget of just £996
 - Total Investment Income from Brewin Dolphin is £16,629 compared to a budget of £14,662
- Only £70,000 Grant has been received in 2022/23 compared to the budget of £520,000
 - £20,000 contingency for Telemetry Software Update/Monitoring & CCTV Scheme
 - £50,000 for Black Sluice Catchment Modelling Study for the elements expected to be completed in 2022/23. This scheme will attract more grant in future years.
- Other Income is £162,861 more than included in the budget
 - Rent was on budget
 - Consents was £16,751 greater than budget including £16,800 invoice to Anglian Water for the consents relating to the Strategic Pipeline Alliance in the extended area.
 - Highland Water is £3,460 more than budget due to the increased Pumping Station Maintenance Costs in the year.
 - Miscellaneous Income includes £140,591 commuted sum from Longhurst for the additional costs associated with the Slippery Gowt Lane development into the future.
- Solar Panel income is £2,831 more than budget with nearly 80% of this attributable to the Office & Depot installation.
- Rechargeable Income is £112,704 more than budget.

Expenditure

- A detailed Schemes Report will be written and presented to the Executive Committee Meeting in May due to the overall complexity and schemes that will overlap into 2023/24
- Pumping Station Maintenance has ended the year £73,888 overspent
 - Electricity Bills are still slow coming through and despite being promised accurate bills by the middle of this week they have not materialised, so estimates have been used.
 - For the year Electricity is £257,092 compared to £122,810 last year. 109% increase (£126,308)
 - Telemetry Costs have increased £8,702 since last year which includes additional support for the new remote system and hosting of the CCTV systems.
 - Insurance is up £8,811. Fully insured for 6 of the 12 months.
- Drain Maintenance overall is £67,273 underspent
 - £35,930 overspent on Summer Cutting

- £91,370 Underspent on Desilting, there is some to complete in April 2023 that is not included in the budget
- £14,192 underspent on Bushing
- One of the £10,000 in the budget for routine jetting has been spent
- Admin & Establishment Costs are £13,055 overspent in total
 - Admin Salaries has come out £3,898 Underspent.
 - GIS Tech left in December and hasn't been replaced yet
 - Acting up payments would be a slight overspend hidden by the vacancy
 - Office and Admin costs are on budget
 - Depot overspent by £18,159.
 - £1,936 for repair to workshop heater
 - £8,040 for additional concreting
 - £7000 in electricity from December to March which is being investigated.
 - Bungalow is £1,141 overspent mainly due to Electrical inspection and remedial works from that inspection.
- Solar Panel Expenses are £1,672 underspent as the company that we had a maintenance contract with ceased trading.
 - We have maintained the data link subscription but decided to deal with any necessary repairs and replacements as they come up. There haven't been any yet.

Balance Sheet

- The Plant Account has generated £226,223 for the Plant reserve compared to the estimated £205,000.
- Only 4 rechargeable accounts have a balance at year end.
 - SFFD De-Silting Works £24,973.24 for remaining costs
 - EA Swaton Roadway £21,176.95 Work to be completed in 2023/24
 - Grant Manager Recharges £18,877.07 Surplus from recharging Grant Manager time to other IDB & BSIDB internally
 - EA PSCA H&S Bank top cuts £ 2,773.99 Work ongoing at Year end, completed in April 2023
- The Wages Oncost Account is £128,023 Surplus at Year End.
 - We are not going to include the additional £1,800 in the recharge rate for 2023/24 $15 \times £1800 = £27,000$
 - We have some training booked that will also come from this reserve.
- Debtors – The Balfour Beatty Invoice has been paid, but after the year end. The RTW Group Ltd invoice has been credited and re-invoiced as they still haven't started the development.
- Both investments are down in value for the period and the year
 - Board = Down 9.67% for the year
 - BFF = Down 5.54% for the year
- Stock Adjustment required at year end was £1,664.20 charged to the Depot.
- Natwest Interest rates from 14/02/23 are 1.61% on the 35 Notice Account and 1.0% on the Instant Access reserve. I am working on other options through a consultant but the paperwork is more involved than I have had time for.

Black Sluice Internal Drainage Board

Project Summary

2022/23

Period 12 - March 2023

| Description | Period Current Year | | | Year To Date | | | | | Last Year | |
|--------------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|------------------|--------------------------|
| | Actual | Budget | Variance | Actual | Budget | Variance | Forecast | Variance | Actual YTD | Variance to Current Year |
| Rates & Levies | 2,000 | 14 | 1,986 | 2,325,594 | 2,315,015 | 10,579 | 2,325,652 | (58) | 2,204,498 | 121,095 |
| Interest & Grants | (6,645) | 521,671 | (528,316) | 87,357 | 535,658 | (448,301) | 165,585 | (78,228) | 305,333 | (217,976) |
| Development Fund | 5,000 | 5,000 | 0 | 5,000 | 5,000 | 0 | 5,000 | 0 | 5,000 | 0 |
| Other Income | 5,902 | 4,698 | 1,204 | 185,928 | 23,067 | 162,861 | 165,779 | 20,149 | 37,224 | 148,704 |
| Rechargeable Income | 95,417 | 101,739 | (6,322) | 683,313 | 570,609 | 112,704 | 658,565 | 24,748 | 822,534 | (139,221) |
| Solar Panel Income | 2,904 | 1,610 | 1,294 | 21,411 | 18,580 | 2,831 | 19,663 | 1,748 | 16,466 | 4,945 |
| Total Income | 104,579 | 634,732 | (530,153) | 3,308,603 | 3,467,929 | (159,326) | 3,340,244 | (31,641) | 3,391,055 | (82,452) |
| Schemes | 44,056 | 612,961 | 568,905 | 161,954 | 638,819 | 476,865 | 383,561 | 221,607 | 368,954 | 207,001 |
| Pumping Station Schemes | 64,705 | 244,023 | 179,318 | 106,130 | 271,476 | 165,346 | 277,697 | 171,567 | 228,367 | 122,237 |
| Pumping Station Maintenance | 19,383 | 47,818 | 666 | 265,777 | 448,980 | (73,888) | 525,055 | 2,187 | 259,039 | (141,019) |
| Electricity | 27,769 | | | 257,092 | | | | | 122,810 | 0 |
| Drain Maintenance | 78,796 | 82,730 | 3,934 | 808,894 | 876,167 | 67,273 | 896,873 | 87,979 | 763,367 | (45,527) |
| Environmental Schemes | 721 | 6,935 | 6,214 | 17,808 | 20,000 | 2,192 | 20,001 | 2,193 | 19,578 | 1,770 |
| Administration & Establishment | 56,895 | 59,578 | 2,683 | 621,768 | 608,713 | (13,055) | 614,349 | (7,419) | 578,579 | (43,189) |
| EA Precept | 0 | 0 | 0 | 276,552 | 276,552 | 0 | 276,552 | 0 | 276,552 | 0 |
| Rechargeable Expenditure | 62,387 | 94,641 | 127,671 | 621,532 | 530,798 | (90,734) | 601,938 | (19,594) | 743,006 | (701,060) |
| Solar Panel Expenses | 319 | 0 | (319) | 866 | 2,538 | 1,672 | 3,087 | 2,221 | 3,414 | 2,548 |
| Total Expenditure | 355,032 | 1,148,686 | 889,071 | 3,138,371 | 3,674,043 | 535,672 | 3,599,113 | 460,742 | 3,363,667 | (597,239) |
| Surplus / (Deficit) | (250,453) | (513,954) | 263,501 | 170,232 | (206,114) | 376,346 | (258,869) | 429,101 | 27,388 | 142,843 |
| Movement on reserves | | | | | | | | | | |
| Plant Reserve | 217,253 | 0 | (217,253) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pump Engineer Oncost | (4,427) | 0 | 4,427 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wages oncost Reserve | 38,430 | 0 | (38,430) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grants Manager | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Surplus / (Deficit) | (501,708) | (513,954) | 514,756 | 170,232 | (206,114) | 376,346 | (258,869) | 429,101 | 27,388 | 142,843 |

Black Sluice Internal Drainage Board Drainage Rates & Special Levies

2022/23

Period 12 - March 2023

Drainage Rates & Special Levies Due

Drainage Rates

| | | |
|---|--------------|--------|
| Annual Drainage Rates - Land and/or buildings | 1,139,044.90 | |
| Land/Property - Value Decreased | (18,896.43) | |
| Land/Property - Value Increased | 15,714.22 | |
| New Assessment | 2,203.28 | |
| Write Offs & Irrecoverables | (3,148.00) | |
| Adjustments required for Special Levy | | |
| Summons Collection Costs | 325.00 | |
| Balance | 1,135,242.97 | 48.82% |

Special Levies

| | | |
|---------------------------------|--------------|--------|
| Boston Borough Council | 885,734.14 | |
| South Holland District Council | 166,133.38 | |
| North Kesteven District Council | 75,250.35 | |
| South Kesteven District Council | 63,232.70 | |
| | 1,190,350.57 | 51.18% |

| | | |
|------------------|---------------------|----------------|
| Total Due | 2,325,593.54 | 100.00% |
|------------------|---------------------|----------------|

Drainage Rates & Special Levies Collected

| | | |
|-------------------------------------|---------------------|---------|
| B/F Arrears/(Allowances) | (1,400.14) | |
| Payments Posted | 1,125,556.20 | |
| Returned Amount | | 99.84% |
| Paid Refund | | |
| Bourne North Fen Trust Contribution | 9,244.69 | |
| Special Levies Received | 1,190,350.57 | 100.00% |
| Total Received | 2,323,751.32 | |

Drainage Rates & Special Levies Debtors

| | | |
|----------------------------|----------|-------|
| Special Levy Outstanding | 0.00 | 0.00% |
| Drainage Rates Outstanding | 1,842.22 | 0.16% |
| | 1,842.22 | |

| | | |
|--------------|---------------------|--|
| Total | 2,325,593.54 | |
|--------------|---------------------|--|

Black Sluice Internal Drainage Board

Income & Expenditure Summary

2022/23

Period 12 - March 2023

| | This Year | Last Year | Variance |
|--------------------------------|------------------|------------------|----------------|
| Drainage Rates | 1,135,243 | 1,095,204 | 40,039 |
| Special Levies | 1,190,351 | 1,109,294 | 81,056 |
| Recoverable | 683,313 | 822,534 | (139,221) |
| Misc Income | 279,856 | 349,066 | (69,210) |
| Solar Panel Income | 21,411 | 16,466 | 4,945 |
| | 3,310,174 | 3,392,565 | (82,391) |
| Employment Costs | 1,356,753 | 1,294,871 | (61,882) |
| Property | 329,994 | 265,350 | (64,644) |
| General Expenses | 261,602 | 265,879 | 4,277 |
| Materials / Stock | 35,291 | 79,921 | 44,631 |
| Motor & Plant | 298,134 | 284,614 | (13,520) |
| Miscellaneous | 578,667 | 876,812 | 298,145 |
| Recharges | (375,110) | (324,634) | 50,476 |
| Plant | 654,612 | 622,364 | (32,249) |
| Total Expenditure | 3,139,942 | 3,365,176 | 225,234 |
| Net Surplus / (Deficit) | 170,232 | 27,389 | 142,843 |

Black Sluice Internal Drainage Board
Balance Sheet at Period End
2022/23
Period 12 - March 2023

| | <u>This Year</u> | | <u>Last Year</u> | |
|---|------------------|--------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Operational Land & Buildings Cost | 1,009,350 | | 1,009,350 | |
| Pumping Stations Cost | 3,861,354 | | 3,861,354 | |
| Non-operational Property Cost | 165,000 | | 165,000 | |
| Vehicles, Plant & Machinery Cost | 897,697 | | 724,193 | |
| Fixed Assets | | <u>5,933,401</u> | | <u>5,759,897</u> |
| Stock | 50,167 | | 36,539 | |
| Debtors Control | 57,290 | | 106,944 | |
| VAT | 17,547 | | (14,936) | |
| Car Loans | 8,706 | | 15,896 | |
| Prepayments | 103,775 | | 81,111 | |
| Drawings Bank Account | 10,000 | | 9,850 | |
| Call Bank Account | 311,667 | | 311,202 | |
| Petty Cash | 259 | | 406 | |
| Highland Water | 3,938 | | 1,192 | |
| Work in Progress | 0 | | 8,821 | |
| Nat West Government Procurement C | (1,075) | | (937) | |
| Brewin Dolphin Investment | 417,960 | | 487,191 | |
| Natwest Reserve Account | 953,731 | | 1,516,254 | |
| Natwest 35 Day Notice Account | 502,749 | | 0 | |
| Total Current Assets | | <u>2,438,557</u> | | <u>2,560,932</u> |
| Trade Creditors | (138,749) | | (198,235) | |
| PAYE & NI Control Account | 0 | | 0 | |
| Superannuation Contrl Account | 0 | | 0 | |
| Accruals | (140,101) | | (370,362) | |
| Total Liabilities | | <u>(278,851)</u> | | <u>(568,597)</u> |
| Pension Liability | | (2,703,000) | | (2,703,000) |
| | | <u>5,390,108</u> | | <u>5,049,232</u> |
| Capital Reserve | 5,933,400 | | 5,759,896 | |
| Pension Reserve | (2,703,000) | | (2,703,000) | |
| Brewin Dolphin Revaluation | (82,040) | | (12,809) | |
| Total Capital | | <u>3,148,360</u> | | <u>3,044,087</u> |
| Revenue Reserve | 1,262,024 | | 1,234,635 | |
| Development Reserve | 460,414 | | 406,439 | |
| Plant Reserve | 221,054 | | 262,206 | |
| Wages Oncost Reserve | 128,023 | | 74,476 | |
| General Reserve | 170,232 | | 27,389 | |
| Total Reserves | | <u>2,241,748</u> | | <u>2,005,145</u> |
| | | <u>5,390,108</u> 0 | | <u>5,049,232</u> |
| <u>Cash & Bank Balances</u> | | | | |
| Drawings Account | | 10,000 | | |
| Call Account | | 11,667 | 311,667 | |
| Natwest Reserve Account @ 1.0% wef 14/02/23 | | 953,731 | | |
| Natwest 35 Day Notice Account @ 1.61% wef 14/02/23 | | 502,749 | | |
| Petty Cash | | 259 | | |
| Chargecard | | (1,075) | | |
| Monmouthshire BS @ 0.65% | | 300,000 | 30 Day Notice | |
| | | <u>1,777,330</u> | | |

Black Sluice Internal Drainage Board Investment Summary 2022/23 Period 12 - March 2023

PORTFOLIO P1684056 VALUATION DATE 03 Apr 2023

31/03/2022 - 31/03/2023

Portfolio Overview

LAST 12 MONTHS PERFORMANCE
-9.67%



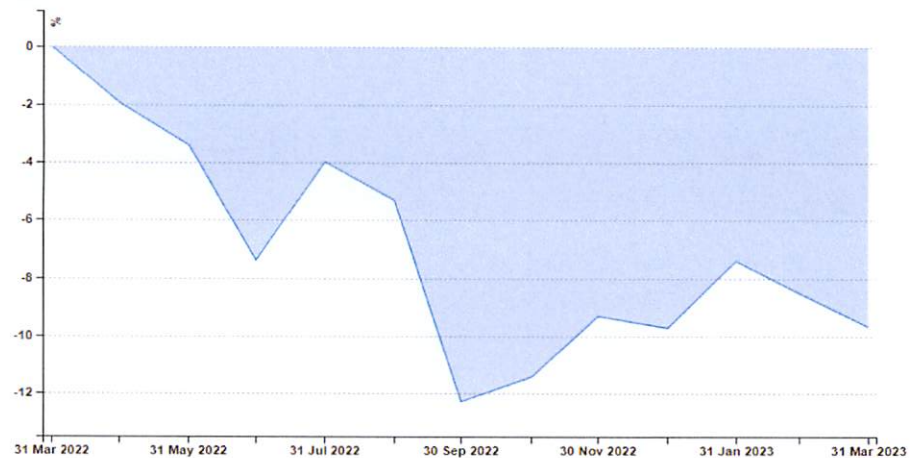
TOTAL VALUE
417,960.44 GBP

ESTIMATED ANNUAL INCOME
15,289.81 GBP

Performance

CUMULATIVE PERIODIC

CHART
Gross



CUMULATIVE PERFORMANCE

Portfolio Summary

BOOK COST
459,662.84 GBP

OVERALL GAIN OR LOSS
-9.07%↓

ESTIMATED ANNUAL INCOME
15,289.81 GBP

ESTIMATED YIELD %
3.66%↑

Black Sluice Internal Drainage Board BFF Investment Summary 2022/23 Period 12 - March 2023

PORTFOLIO P0000789299 VALUATION DATE 03 Apr 2023

31/03/2022 - 31/03/2023

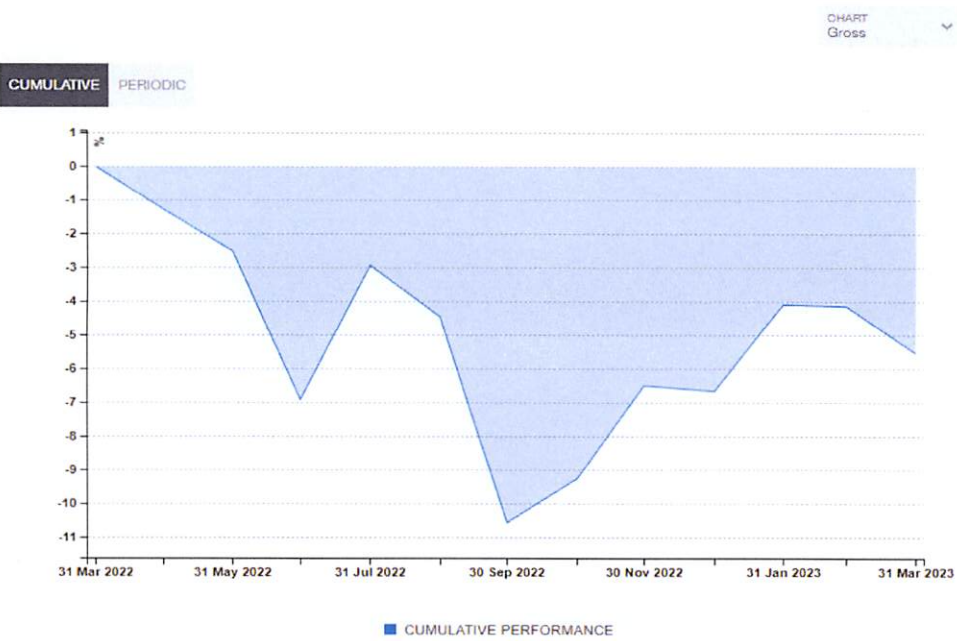
Portfolio Overview

LAST 12 MONTHS PERFORMANCE
-5.54%

TOTAL VALUE
322,883.98 GBP

ESTIMATED ANNUAL INCOME
11,273.49 GBP

Performance



Portfolio Summary

| | | | |
|----------------|----------------------|-------------------------|-------------------|
| BOOK COST | OVERALL GAIN OR LOSS | ESTIMATED ANNUAL INCOME | ESTIMATED YIELD % |
| 313,758.87 GBP | 2.91%↑ | 11,273.49 GBP | 3.49%↑ |

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 23 MAY 2023

AGENDA ITEM 06(b)

2022/23 Review of Schemes and future Projections

1001 – Emergency Large Slip Repairs (£90,000 Budget, £82,456 Spent)

There are still a number of slips to be repaired as one 1200m slip used a large proportion of the budget to repair last year. There is no budget in 2023/24.

1037 – Graft Drain Improvements (All budget removed, £176 Credit)

£33,922 was brought forward from 2021/22 but due to excessive slips this had to be reallocated to Emergency Slip Repairs leaving no budget for 2022/23 for Graft Drain. No further work is planned until 2024/25.

1228 – Jetting Major Pipelines (£20,000 Budget, £4,500 Spent)

These works were started but due to access problems on some of the sites they were unable to be completed. When these issues were resolved the contractor had availability issues. There is £75,000 budget in 2023/24 to further progress these works.

1229 – North Forty Foot Revetments (£149,101 Budget B/F, £18,200 Spent)

The budget brought forward included £71,101 Grant, £8,000 from the Development Fund and a possible Board contribution of £70,000. £18,200 has been spent on spreading the lagoon and costs associated with the Grant Manager releasing additional funding. An order has been placed for £71,690 with a contractor to complete the pipe lining in early 2023/24. We are seeking a contribution for the part of the pipe under the highway which is the responsibility of Lincolnshire County Council.

Carry Forward £130,901 Budget

1234 – Lane Dyke Culvert (£469 Budget, Nothing Spent)

This scheme did not and will not proceed, previously incurred costs were recovered from surplus funds on another scheme.

1241 – Alternate Programme Access Work (£20,000 Budget, £1,071 Spent)

These works were completed as required in the year, further work will be developed and undertaken in 2023/24.

1244 – Black Sluice Catchment Strategies (£247,249 Budget, £38,087 Spent)

Carry Forward £209,162 Budget

The inception study is currently being completed by Stantec, when this is completed it will develop specific schemes.

1167 – BSIDB Natural Flood Management Studies (£39,889 Budget, £7,200 Spent) & 1245 – BSIDB Natural Flood Management Works (£107,000 Budget, £3,766 Spent)

Carry Forward £32,689 Budget for Studies & £103,234 for Works + £265,000 budget in 2023/24.

Initial schemes have been developed in the year using a consultant to liaise with farmers and the purchase of some materials. Four schemes have been commenced in May 2023 with an additional three being worked on to be completed after the cutting season.

1247 – Lower Witham Benefits (No Budget, £691 Spent)

The costs incurred in this year are in relation to the Grant Managers time spent attending meetings to develop this scheme.

1248 – Gosberton Transformer (No Budget, £11,786 Spent)

The Board agreed to place the order for this Transformer as its replacement was deemed to be urgent but we sought Grant funding whilst we were waiting delivery. The Grant was approved on 25 April 2023 and the money has been claimed. The new Transformer was installed 24-26 April 2023. The expenditure in the Accounts was the initial deposit. Grant related expenditure has to be shown in the year it is spent.

1300 – General Culvert Replacement (£5,000 Budget, £1,571 Spent)

One £1,000 contribution was paid to replace an existing culvert that the Board uses. The other £571 was incorrectly coded relating to a slip.

1138 – Sempringham Pumping Station Refurbishment (£200,594 Budget B/F, £61,614 Spent)

The groundwork civils are now almost complete following initial delays in securing the land lease agreement with Crown Estates. A quotation of £130,000 has been received for supply and installation of the Automatic Weed Screen Cleaner(AWC) with an estimated lead time of six months from placement of order.

The previous quotation for the AWC received in 2020 was £92,000.

It is now estimated that the groundwork civils costs, and gravity outfall and pumping station maintenance will be c£85,000 :- £55,000 in 2022/23 and £30,000 in 2023/24 A quotation of £9,500 for supply and installation of the boundary security fencing has been received.

Including the contingency it was originally estimated that this scheme would deliver the civils and installation of the weedscreen cleaner for £178,000

It is therefore estimated that the following expenditure will be incurred this year to complete the scheme:

| | |
|--|-----------------|
| AWC + Board(labour/material) costs | £134,000 |
| Fencing | £ 9,500 |
| Groundwork Civils | £ 20,000 |
| Pumping Station building and outfall channel maintenance | <u>£ 11,500</u> |
| Total | <u>£175,000</u> |

The Operations Manager has discussed this with the Capital Grants Manager and an application for additional funding of £36,020 is to be made to FCERM GiA.

Carry Forward £138,980 Budget

1165 – PS Automation & Gauge Boards (£20,993 Budget B/F, £21,286 Spent)

All complete. All Pumping Stations now capable of being operated remotely from any computer/phone with an internet connection. Metric Gauge Boards have been installed at every suitable pumping station and CCTV at every site except Allan House PS.

This was all funded by Flood and Coastal Erosion Risk Management Grant.

1172 – Dyke Fen PS – Refurb Pump Motor (£3,000 Budget, £2,747 Spent)

All work completed as planned.

1173 – Dunsby Fen PS – Refurb Pump Motor (£3,000 Budget, £6,513 Spent)

All work completed. This was completed during a wet time when significant over pumping was required using the Board's mobile 8" pumps. The additional costs to put the pump in place and refuel it were £3,718.

1174 – Gosberton PS – Pump Refurb (£4,000 Budget, £6,770 Spent)

Whilst the motor was out for refurbishment it was discovered that there was excessive wear on the drive shaft couplings and these were also refurbished whilst the motor was removed.

The cost of the additional work on the drive shaft couplings by a contractor was £3,142. If this was completed at a later date there would have been additional costs associated with removing the motor again and it would have been at risk of failure and potentially causing further damage.

Annual Governance and Accountability Return 2022/23 Form 3

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

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

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2022/23

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
 - **Sections 1 and 2 must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2023**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2023**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2023
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2022/23

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

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

Publication Requirements

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

Before 1 July 2023 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2022/23**, approved and signed, page 4
- **Section 2 - Accounting Statements 2022/23**, approved and signed, page 5

Not later than 30 September 2023 authorities **must** publish:

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

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

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

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

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2022/23

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2023.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2022) equals the balance brought forward in the current year (Box 1 of 2023).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2023**.

| Completion checklist – 'No' answers mean you may not have met requirements | | Yes | No |
|--|--|-----|----|
| All sections | Have all highlighted boxes have been completed? | | |
| | Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor? | | |
| Internal Audit Report | Have all highlighted boxes been completed by the internal auditor and explanations provided? | | |
| Section 1 | For any statement to which the response is 'no', has an explanation been published? | | |
| Section 2 | Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval? | | |
| | Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting? | | |
| | Has an explanation of significant variations been published where required? | | |
| | Has the bank reconciliation as at 31 March 2023 been reconciled to Box 8? | | |
| | Has an explanation of any difference between Box 7 and Box 8 been provided? | | |
| Sections 1 and 2 | Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested. | | |

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

Annual Internal Audit Report 2022/23

Black Sluice Internal Drainage Board

ENTER PUBLICLY AVAILABLE WEBSITE OR WEBPAGE ADDRESS
www.blacksluiceidb.gov.uk

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

| Internal control objective | Yes | No* | Not covered** |
|--|-----|-----|----------------|
| A. Appropriate accounting records have been properly kept throughout the financial year. | | | |
| B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | | | |
| C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | | | |
| D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | | | |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | | | |
| F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. | | | |
| G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied. | | | |
| H. Asset and investments registers were complete and accurate and properly maintained. | | | |
| I. Periodic bank account reconciliations were properly carried out during the year. | | | |
| J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded. | | | |
| K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered") | | | |
| L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation. | | | |
| M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set). | | | |
| N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes). | | | |
| O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee. | Yes | No | Not applicable |

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

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YYYY DD/MM/YYYY DD/MM/YYYY ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

DD/MM/YYYY

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

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

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

Black Sluice Internal Drainage Board

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

| | Agreed | | 'Yes' means that this authority: |
|---|--------|-----|---|
| | Yes | No* | |
| 1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements. | ✓ | | prepared its accounting statements in accordance with the Accounts and Audit Regulations. |
| 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 this authority to conduct its business or manage 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 gave all persons interested the opportunity to inspect and ask questions about this authority's accounts. |
| 5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | ✓ | | considered and documented the financial and other risks it faces and dealt with them properly. |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems. | ✓ | | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority. |
| 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 this authority 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. |
| 9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit. | Yes | No | N/A |
| | | | ✓ |
| | | | has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts. |

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

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

13/06/2023

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY www.blacksluiceidb.gov.uk PAGE ADDRESS

Section 2 – Accounting Statements 2022/23 for


Black Sluice Internal Drainage Board

| | Year ending | | Notes and guidance |
|---|--------------------|--------------------|--|
| | 31 March 2022 £ | 31 March 2023 £ | |
| | | | <i>Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.</i> |
| 1. Balances brought forward | 1,102,456 | 1,505,144 | <i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i> |
| 2. (+) Precept or Rates and Levies | 2,204,498 | 2,325,594 | <i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i> |
| 3. (+) Total other receipts | 1,186,557 | 983,009 | <i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i> |
| 4. (-) Staff costs | 1,220,088 | 1,285,127 | <i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i> |
| 5. (-) Loan interest/capital repayments | 0 | 0 | <i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i> |
| 6. (-) All other payments | 1,768,279 | 1,786,874 | <i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i> |
| 7. (=) Balances carried forward | 1,505,144 | 1,741,746 | <i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i> |
| 8. Total value of cash and short term investments | 1,836,774 | 1,777,330 | <i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i> |
| 9. Total fixed assets plus long term investments and assets | 6,259,897 | 6,433,401 | <i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i> |
| 10. Total borrowings | 0 | 0 | <i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i> |

| For Local Councils Only | Yes | No | N/A | |
|--|-----|----|-----|--|
| 11a. Disclosure note re Trust funds (including charitable) | | | | <i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i> |
| 11b. Disclosure note re Trust funds (including charitable) | | | ✓ | <i>The figures in the accounting statements above do not include any Trust transactions.</i> |

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

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

SIGNATURE 

Date

10/05/2023

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

13/06/2023

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2022/23

In respect of

Black Sluice Internal Drainage Board

1 Respective responsibilities of the auditor and the authority

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

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

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

- summarises the accounting records for the year ended 31 March 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2022/23

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

3 External auditor certificate 2022/23

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2023.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY



Internal Audit

FINAL






Black Sluice Internal Drainage Board

Assurance Review of Annual Governance and Accountability Return

2022/23

February 2023

Executive Summary

| <p>OVERALL ASSESSMENT</p> | <p>KEY STRATEGIC FINDINGS</p> | | | | | | | | |
|---|---|---------|-------------|---------|-------------|---|---|---|---|
|  <p>The diagram shows a circular gauge with 'Substantial Assurance' in the center. To the right, a vertical scale lists four levels: Substantial Assurance (green), Reasonable Assurance (yellow), Limited Assurance (orange), and No Assurance (red). The green level is highlighted.</p> | <ul style="list-style-type: none">  Black Sluice Internal Drainage Board has good systems in place and the governance, risk and control framework is working well.  Black Sluice Internal Drainage Board use the "Opera" suite of software to manage their accounts which supports accurate accounting and good record keeping. | | | | | | | | |
| <p>ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE</p> | <p>GOOD PRACTICE IDENTIFIED</p> | | | | | | | | |
| <p>The audit covers all areas required by the Annual Governance and Accountability Return (AGAR) and includes, where appropriate, the key risks for a drainage board.</p> | <ul style="list-style-type: none">  The Black Sluice IDB has a very informative website which is easy to navigate, well populated with useful and key information.  The Black Sluice IDB has excellent governance, risk, and control procedures in place with appropriate reporting to the Board and Committees. | | | | | | | | |
| <p>SCOPE</p> | <p>ACTION POINTS</p> | | | | | | | | |
| <p>The purpose of the review was to undertake sufficient audit work to be able to sign off the Annual Governance and Accountability Return for Internal Audit.</p> | <table border="1"> <thead> <tr> <th>Urgent</th> <th>Important</th> <th>Routine</th> <th>Operational</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0</td> <td>0</td> <td>1</td> </tr> </tbody> </table> | Urgent | Important | Routine | Operational | 0 | 0 | 0 | 1 |
| Urgent | Important | Routine | Operational | | | | | | |
| 0 | 0 | 0 | 1 | | | | | | |

Assurance - Key Findings and Management Action Plan (MAP)

| Rec. | Risk Area | Finding | Recommendation | Priority | Management Comments | Implementation Timetable (dd/mm/yy) | Responsible Officer (Job Title) |
|----------------------------|-----------|---------|----------------|----------|---------------------|-------------------------------------|---------------------------------|
| No recommendations raised. | | | | | | | |

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Operational - Effectiveness Matter (OEM) Action Plan

| Ref | Risk Area | Finding | Suggested Action | Management Comments |
|-----|-----------|---|--|---|
| 2 | Delivery | <p>Reserves are regularly reviewed, however there is some discrepancy between the Board minutes of the 8th February 2022 which states:</p> <ul style="list-style-type: none"> • "Maintain the general reserve above 20% of expenditure, and • Increase the general reserve to 30% over the ten year period, to allow for uninsured pumping station risks. <p>The new Financial Regulation which states:</p> <ul style="list-style-type: none"> • "to maintain the Board's general reserves above the target of 30% of annual expenditure (agreed by the Board on 23rd November 2021). <p>The Board need to regularise this situation so that the Board approval and Financial Regulations state the same for Reserves.</p> | <p>The Board to agree the wording and approve this for Financial Regulations with regard to the Reserves policy.</p> | <p>On 14 February 2023 a full meeting of the Board agreed that the new policy for reserves will be as follows;</p> <ul style="list-style-type: none"> • Maintain the General Reserve at between three and twelve months of net revenue expenditure. (as per JPAG Practitioners Guide) • Aim to be able to fund a minimum of two consecutive "Wet" years of Electricity from the General Reserve. • With the General Reserve at the target level aim for a balanced budget. <p>This will be the exact wording included in the minutes and will be included within the Financial Regulations Policy to be reviewed by the Audit and Risk Committee on 25 April 2023.</p> |

ADVISORY NOTE

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

Findings



Directed Risk:


Failure to properly direct the service to ensure compliance with the requirements of the organisation.


| Ref | Expected Key Risk Mitigation | Effectiveness of arrangements | Cross Reference to MAP | Cross Reference to OEM |
|-----|--|-------------------------------|------------------------|------------------------|
| GF | Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation. | In place | - | - |
| RM | Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register. | In place | - | - |
| C | Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance. | In place | - | - |

Other Findings


- All the Board's policies and procedures are on their website. These are all appropriate and adequate for a drainage board. The website itself is easy to navigate. A number of the Board's policies were reviewed and found to be in order. Risk Management Strategy; Financial Regulations (to note the 30% of expenditure reserves policy); Members Code of Conduct; H&S policies; Gifts and Hospitality; Near Miss Reporting Policy; Substance and Alcohol Misuse Policy. The review periods for each Policy was noted which were all within the agreed term.
- All Board agendas and minutes (none confidential) are on the Boards website. The following were reviewed and found to be comprehensive and informative: The minutes of the following Board meetings: 8th February 2022 and 14th June 2022 and the unapproved minutes on the 22nd November 2022 (awaiting approval at the 14th February 2023 meeting).
- A selection of Committee agendas/minutes were reviewed as follows: Audit and Risk Committee (12th April 2022) minutes; Executive Committee (17th January 2023) agenda (proposed rate increase for 2023/24 of 27.96%). These were all in order.
- The Risk Management Strategy and Policy was approved on 14th June 2022 and is reviewed annually.


Other Findings


- 


The risk register and the controls are comprehensive documents that are regularly reviewed by the Audit and Risk Committee. The officers and Committee Members are engaged in reviewing the risks/controls in the register and in assessing their importance at each committee meeting.
- 


Near misses reporting is an important part of good risk management. It was noted that five near misses had been reported to the Board at its November 2022 meeting:


| Date | Description of Near Miss | Reason/Action |
|------------|--|---|
| 15/07/2022 | Unimog loose wheel after changing. | Faulty torque wrench/New wrench calibrated periodically. |
| 22/07/2022 | Twiga machine slipped towards drain. | Too close to bank top/toolbox talk to all drivers. |
| 23/07/2022 | Skirth drain Aebi wheel dropped into hole bank top. | Not visible from cab/walk over survey prior. |
| 16/09/2022 | Twiga top half of door glass smashed. | Wind blew door from hand/don't open top half of door from ground in high winds. |
| 25/10/2022 | Stone from flail mowing broke parked car windscreen. | Front flap (long grass) on flail raised/ensure all guards are lowered in urban areas. |
- 


The Board use the Association of Drainage Authorities (ADA) key objectives as their overarching objectives that support the operation and direction of the Black Sluice IDB.
- 


"Opera" is the main accounting package for the IDB. Opera is part of a suite of software solutions provided by Pegasus a software developer. Opera is a recognised suite of accounting software widely used by small to medium sized organisations.
- 

Management accounts are submitted to every Board meeting to inform Members of the current financial state of the IDB with year-to-date figures. Drainage Rates and Special Levies are also reported on a regular basis to each Board meeting to include collection details.
- 

The Purchase Order system was reviewed, and it was confirmed that where appropriate to use the Purchase Order system, goods received had been confirmed and invoices had been matched back to the purchase order. The approval process was in accordance with Financial Regulations/Procurement policy.
- 


A sense check was undertaken on all payments made for the months of February 2022 through to and including October 2022. All payments made were appropriate to a drainage board. Many payments are repeated each month to cover regular ongoing commitments. All payments are referred to the Board who are able to query any of those payments. The Finance and Operations Manager sign to confirm that each months payments are in order.
- 










At the Board meeting on 8th February 2022 a 4.18% increase in the rate was approved. Rates for 2022/23 would therefore be (Sub district No. 1 (6.86p) and Sub-District No. 2 (13.71p)). These sums would provide a rate income estimated to be £1,139,520.36 for the year.
- 

For the rating system as at 24th January 2023, six unpaid accounts had been summonsed for collection. These debts totalled £2,541.84. Five of these debts were with the bailiffs for collection and was being dealt with by the solicitor for the deceased.
- 

Debt collection procedures for rates follow a predetermined timeline which confirms that demands are posted on time and follow up procedures are in place to enable all sums due to be collected or correctly accounted for.

Other Findings

-  Debt collection for general debtors are chased on a regular basis. At the time of the audit (1 February 2023) there were three large debtors that had been outstanding for more than three months:
 - 1) Balfour Beatty - £4,250
 - 2) RTW Group Ltd - £23,240.08
 - 3) Seagate Homes (UK) Ltd - £17,861.68.

Seagrave homes has now been paid. Balfour Beatty is still outstanding and further recover proceedings are likely. RTW Group the work has not yet started so recovery proceedings are on hold.
-  A small number of write offs were made During the year. One write off was for £2,519.72 (rates for Glasshouses that were removed). The Board approved this write off at its meeting on 22nd November 2022.
-  The Board still operate a small petty cash imprest. The latest entries were for December 2022. The petty cash balance stood at £243.96. Although there had been little petty cash movement in year the 2022 transaction receipts and vouchers were reviewed and found to be in order.
-  The payroll for December 2022 was reviewed and found to be in order. Payroll is a well-controlled and cyclical process only requiring adjustment for new starters or leavers or when a pay increase is required. The system was working well and in order.
-  The whole payroll for December 2022 including expenses was reviewed and found to be in order. In addition, national insurance and income tax deductions had been correctly made and these had been paid over to HMRC.
-  Pension deductions and payment to the Lincolnshire County Council (LCC) pension fund were reviewed for the month of December 2022. These were in order and the sums involved were paid over to LCC.
-  The asset register is updated annually at the end of the financial year. The register at the end of March 2022 was reviewed and found to be in order. The register is well maintained.
-  As this was a remote audit no assets were verified at this time.
-  Accounting Statements are undertaken and these reconcile to the cash book.
-  Data feeding into the Accounting Statements was confirmed to be correct.



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

| Ref | Expected Key Risk Mitigation | Effectiveness of arrangements | Cross Reference to MAP | Cross Reference to OEM |
|-----|--|-------------------------------|------------------------|------------------------|
| PM | Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner. | In place | - | 1 |
| S | Sustainability The impact on the organisation's sustainability agenda has been considered. | In place | - | - |
| R | Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted. | In place | - | - |

Other Findings

- Management accounts, including budget data, are reported regularly to Members and the Board. The Board papers for the year were reviewed and it was confirmed that appropriate financial and budget data was presented to every Board meeting.
- The Board maintain a 10-year forecast which enable future increases in both the penny rate and precept to be calculated and for such bodies as the precepting authorities to be consulted well in advance of any increases being made. The Executive Committee were looking to approve the budget for 2023/24 with a 27.96% rate increase.
- The majority of income is received via a bank transfer. Cash is normally retained and used as petty cash. Cheques are banked at the local Post Office as and when received. There had been little activity regarding cash and cheques. The recording and banking of income was working well.
- The various (Call account, Drawings account, 35 Day account, Reserves account) bank and credit card reconciliations were examined and found to be in order and in balance as at 6th January 2023.
- The Board is operating within its approved budget for the 2022/23 financial year.
- Good practice is adopted by the Board to respond to business interruption events and to enhance the economic, effective and efficient delivery of its services.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

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

Disclaimer

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

Effectiveness of arrangements

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

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

Assurance Assessment

- The definitions of the assurance assessments are:

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

Acknowledgement

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

Release of Report

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

| Stage | Issued | Response Received |
|-----------------------------------|--------------------------------|--------------------------------|
| Audit Planning Memorandum: | 23 rd January 2023 | 23 rd January 2023 |
| Draft Report: | 15 th February 2023 | 15 th February 2023 |
| Final Report: | 17 th February 2023 | |

AUDIT PLANNING MEMORANDUM

Appendix B

| | | | |
|---|--|---|-----------------|
| Client: | Black Sluice IDB | | |
| Review: | Annual Governance and Accountability Return | | |
| Type of Review: | Assurance | Audit Lead: | Chris Harris |
| Outline scope (per Annual Plan): | | | |
| Detailed scope will consider: | <p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p> | <p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Sustainability: The impact on the organisation's sustainability agenda has been considered.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p> | |
| Requested additions to scope: | (if required then please provide brief detail) | | |
| Exclusions from scope: | None | | |
| Planned Start Date: | 30/01/2023 | Exit Meeting Date: | 07/02/2023 |
| | | Exit Meeting to be held with: | Daniel Withnall |

SELF ASSESSMENT RESPONSE

| Matters over the previous 12 months relating to activity to be reviewed | Y/N (if Y then please provide brief details separately) |
|---|---|
| Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc? | |
| Have there been any breakdowns in the internal controls resulting in disciplinary action or similar? | |
| Have there been any significant changes to the process? | |
| Are there any particular matters/periods of time you would like the review to consider? | |

PLANT REPLACEMENT BUDGETS 2023/24

Amended after Year end

| Existing Plant/Equipment | Year Purchased | Purchase Price | Hours / Miles | | Age to Replace | Replace Year | New Plant | Replace Cost | Est Trade in Target | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
|------------------------------|----------------|----------------|----------------|-------|----------------|--------------|-------------------|--------------|---------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | | As at 27/11/22 | | | | | | | £221,054 | £83,045 | £59,101 | £68,356 | £159,704 | £5,934 | £116,656 | £268,821 | £255,261 | £128,642 |
| Twiga SPV2 (2015) | 2015/16 | £174,800 | 6,423 | Hours | 8 | 2023/24 | Twiga/Herder? | £288,295 | £60,000 | £228,295 | | | | | | | | | £337,296 |
| Twiga SPV2 (2019) | 2019/20 | £197,150 | 2,835 | Hours | 8 | 2027/28 | Twiga/Herder? | £291,280 | £72,820 | | | | | £218,460 | | | | | |
| Twiga SPV2 (2017) | 2017/18 | £205,811 | 4,469 | Hours | 8 | 2025/26 | Twiga/Herder? | £304,077 | £76,019 | | | £228,057 | | | | | | | |
| Aebi T211 | 2016/17 | £55,058 | 3,496 | Hours | 13 | 2029/30 | Aebi & Rear Flail | £103,820 | £15,972 | | | | | | | £87,848 | | | |
| Hitachi ZX 210LC-5B | 2016/17 | £133,845 | 7,082 | Hours | 8 | 2024/25 | 20T Excavator | £197,750 | £49,438 | | £148,313 | | | | | | | | £219,125 |
| Unimog | 2020/21 | £148,000 | 74,503 | Km | 8 | 2028/29 | New unimog | £218,663 | £54,666 | | | | | | £163,998 | | | | |
| JCB 130 Telescopic LR | 2019/20 | £105,350 | 4,820 | Hours | 8 | 2027/28 | 13T Excavator | £155,650 | £38,912 | | | | | £116,737 | | | | | |
| JCB 145 Standard & LR | 2019/20 | £129,850 | 3,872 | Hours | 7 | 2026/27 | 13T Excavator | £182,712 | £52,203 | | | | £130,509 | | | | | | |
| JCB 145 Telescopic LR | 2022/23 | £137,500 | 0 | Hours | 8 | 2030/31 | 14T Excavator | £203,150 | £50,788 | | | | | | | | £152,363 | | |
| JCB 150X Excavator | 2022/23 | £139,605 | 664 | Hours | 8 | 2030/31 | 15T Excavator | £206,260 | £51,565 | | | | | | | | £154,695 | | |
| JCB 531 Teleporter | 2012/13 | £43,470 | 3,580 | Hours | 12 | 2024/25 | | £78,066 | £13,011 | | £65,055 | | | | | | | | |
| Vauxhall (Fitter) | 2019/20 | £16,255 | 37,616 | Miles | 7 | 2026/27 | Fitters Van | £22,872 | £3,267 | | | | £19,605 | | | | | | |
| Mitsubishi(Pump Engineer) | 2019/20 | £20,431 | 50,694 | Miles | 4 | 2023/24 | Pick-Up | £27,610 | £11,500 | £16,110 | | | | £19,582 | | | | | £23,802 |
| Mitsubishi(Works Supervisor) | 2019/20 | £20,431 | 88,553 | Miles | 4 | 2023/24 | Pick-Up | £27,793 | £9,500 | £18,293 | | | | £22,235 | | | | | £27,027 |
| Mitsubishi(Pump Maintenance) | 2019/20 | £20,431 | 37,120 | Miles | 4 | 2023/24 | Pick-Up | £27,793 | £12,000 | £15,793 | | | | £19,196 | | | | | £23,333 |
| Mitsubishi (Works Manager) | 2019/20 | £20,000 | 31,993 | Miles | 4 | 2023/24 | Pick-Up | £28,768 | £11,000 | £17,768 | | | | £19,196 | | | | | £23,333 |
| Vauxhall Tipper | 2022/23 | £30,271 | 21,843 | Miles | 7 | 2029/30 | Tipper | £42,594 | £6,085 | | | | | | | £36,509 | | | |
| Dump Trailer 1 | 2006 | £13,832 | | | 18 | 2024/25 | Dump Trailer | £33,288 | £3,699 | | £29,590 | | | | | | | | |
| Low Loader Trailer | 2020/21 | £27,000 | | | 15 | 2036/37 | Low Loader | £56,131 | £7,484 | | | | | | | | | | |
| Tipping Trailer | 2022/23 | £6,895 | | | 25 | 2047/48 | | £23,349 | £1,868 | | | | | | | | | | |
| 4m Trailer | 2022/23 | £4,500 | | | 25 | 2047/48 | | £15,239 | £1,219 | | | | | | | | | | |
| 100mm Self priming Pump | | | | | 16 | 2023/24 | | £22,000 | | £22,000 | | | | | | | | | |
| Vibrating piling hammer | 2015/16 | | | | 20 | 2035/36 | | | | | | | | | | | | | |
| 150mm Portable Pump | 2006 | £16,050 | | | 16 | 2023/24 | | £30,000 | | £30,000 | | | | | | | | | |
| Compressor | 2008 | £4,950 | | | | | | | | | | | | | | | | | |
| Ride on Lawnmower | 2016/17 | | | | 8 | 2024/25 | | £17,000 | £4,250 | | | | | | | | | | |
| Fuel Tanks | | | | | | | | | | £5,000 | | | | | | £3,000 | | | |
| 6" Mobile Pump | 2021/22 | £52,566 | | | 20 | 2041/42 | | £139,473 | | | | | | | | | | | |
| Weedbaskets | | | | | | | | | | | £7,000 | | £7,718 | | | £8,934 | £9,381 | £9,850 | £10,342 |
| Net Spend from Plant Reserve | | | | | | | | | | £353,259 | £249,957 | £228,057 | £157,831 | £415,408 | £163,998 | £136,291 | £316,438 | £444,641 | £229,467 |
| Generated | | | | | | | | | | £215,250 | £226,013 | £237,313 | £249,179 | £261,638 | £274,720 | £288,456 | £302,878 | £318,022 | £333,923 |
| Balance C/F | | | | | | | | | | £83,045 | £59,101 | £68,356 | £159,704 | £5,934 | £116,656 | £268,821 | £255,261 | £128,642 | £233,098 |

BLACK SLUICE INTERNAL DRAINAGE BOARD
2023/24 Budget and 10 Year Estimates
 Updated after year end for schemes adjustments

| Income | Actual | Budget | Actual @ | Budget / Estimates | | | | | | | | | |
|-------------------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2021/22 | 2022/23 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
| Rates and Levies | 2,204,498 | 2,328,165 | 2,325,594 | 2,990,356 | 3,438,994 | 3,783,576 | 3,972,925 | 4,170,804 | 4,378,917 | 4,597,266 | 4,827,556 | 5,069,787 | 5,323,958 |
| Interest & Investment Income | 11,833 | 15,662 | 17,357 | 18,225 | 19,136 | 20,093 | 21,098 | 22,152 | 23,260 | 24,423 | 25,644 | 26,926 | 28,273 |
| Grants/Local Levy | 293,500 | 772,000 | 70,000 | 265,000 | 80,000 | 1,579,000 | 828,000 | 435,000 | | | | | |
| Contribution Development Fund | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Other Income | 37,224 | 23,066 | 185,928 | 23,066 | 23,527 | 23,998 | 24,478 | 24,967 | 25,467 | 25,976 | 26,496 | 27,025 | 27,566 |
| Rechargeable Income | 822,534 | 570,608 | 683,313 | 470,608 | 276,020 | 281,541 | 287,171 | 292,915 | 298,773 | 304,749 | 310,844 | 317,060 | 323,402 |
| Solar Panel Income | 16,466 | 18,583 | 21,411 | 21,657 | 22,090 | 22,532 | 22,983 | 23,442 | 23,911 | 24,389 | 24,877 | 25,375 | 25,882 |
| TOTAL INCOME | 3,391,055 | 3,733,084 | 3,308,603 | 3,793,912 | 3,864,768 | 5,715,739 | 5,161,654 | 4,974,281 | 4,755,328 | 4,981,803 | 5,220,416 | 5,471,174 | 5,734,081 |

| Expenditure | Actual | Budget | Actual @ | Budget / Estimates | | | | | | | | | |
|---------------------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2021/22 | 2022/23 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 |
| Board Funded Schemes | 122,298 | 290,000 | 106,143 | 249,000 | 271,000 | 410,000 | 427,000 | 363,000 | 327,000 | 314,000 | 317,000 | 324,925 | 393,000 |
| FDGiA/Local Levy Funded Schemes | 475,024 | 1,128,295 | 161,940 | 879,966 | 80,000 | 1,579,000 | 828,000 | 435,000 | | | | | |
| Pumping Station Maintenance | 259,208 | 213,818 | 211,729 | 214,080 | 224,784 | 236,023 | 247,824 | 260,216 | 273,226 | 286,888 | 301,232 | 316,294 | 332,108 |
| Pumping Station Electricity | 122,810 | 168,200 | 243,108 | 763,250 | 801,413 | 841,483 | 883,557 | 927,735 | 974,122 | 1,022,828 | 1,073,969 | 1,127,668 | 1,184,051 |
| Insurance | 66,924 | 66,924 | 68,031 | 85,260 | 89,523 | 93,999 | 98,699 | 103,634 | 108,816 | 114,257 | 119,969 | 125,968 | 132,266 |
| Drain Maintenance | 763,367 | 876,167 | 808,894 | 944,845 | 992,087 | 1,041,692 | 1,093,776 | 1,148,465 | 1,205,888 | 1,266,183 | 1,329,492 | 1,395,966 | 1,465,765 |
| Environmental Works | 19,578 | 20,000 | 17,808 | 21,000 | 22,050 | 23,153 | 24,310 | 25,526 | 26,802 | 28,142 | 29,549 | 31,027 | 32,578 |
| Administration & Establishment | 578,579 | 608,714 | 621,768 | 642,308 | 674,423 | 708,145 | 743,552 | 780,729 | 819,766 | 860,754 | 903,792 | 948,981 | 996,431 |
| EA Precept | 276,552 | 276,552 | 276,552 | 276,552 | 276,552 | 276,552 | 276,552 | 276,552 | 283,466 | 290,552 | 297,816 | 305,262 | 312,893 |
| Rechargeable Expenditure | 743,006 | 530,798 | 621,532 | 437,775 | 256,763 | 261,898 | 267,136 | 272,479 | 277,929 | 283,487 | 289,157 | 294,940 | 300,839 |
| Solar Panel Expenditure | 3,414 | 2,534 | 866 | 3,238 | 3,400 | 3,570 | 3,749 | 3,936 | 4,133 | 4,339 | 4,556 | 4,784 | 5,024 |
| TOTAL EXPENDITURE | 3,430,760 | 4,182,002 | 3,138,371 | 4,517,274 | 3,691,995 | 5,475,515 | 4,894,156 | 4,597,272 | 4,301,147 | 4,471,430 | 4,666,533 | 4,875,815 | 5,154,954 |

| | | | | | | | | | | | | | |
|-------------------------------|------------------|----------------|------------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| OPENING BALANCE | 1,234,636 | 1,194,931 | 1,194,931 | 1,365,163 | 641,801 | 814,573 | 1,054,798 | 1,322,297 | 1,699,306 | 2,153,487 | 2,663,860 | 3,217,743 | 3,813,102 |
| Introduced from Plant Reserve | | | | | | | | | | | | | |
| SURPLUS / (DEFICIT) IN YEAR | (39,705) | (448,918) | 170,232 | (723,362) | 172,773 | 240,225 | 267,499 | 377,009 | 454,181 | 510,373 | 553,883 | 595,359 | 579,126 |
| CLOSING BALANCE | 1,194,931 | 746,013 | 1,365,163 | 641,801 | 814,573 | 1,054,798 | 1,322,297 | 1,699,306 | 2,153,487 | 2,663,860 | 3,217,743 | 3,813,102 | 4,392,228 |

| | | | | | | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Reserve % of Expenditure (Excl Grants) | 38.09% | 21.88% | 45.87% | 17.64% | 22.55% | 27.07% | 32.52% | 40.83% | 50.07% | 59.58% | 68.95% | 78.20% | 85.20% |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

| | | | | | | | | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| RATE | 13.16 | 13.70 | 13.70 | 17.53 | 20.16 | 22.18 | 23.29 | 24.45 | 25.67 | 26.95 | 28.30 | 29.72 | 31.21 |
| Increase in Rates | | 4.10% | 4.10% | 27.96% | 15.00% | 10.02% | 5.00% | 4.98% | 4.99% | 4.99% | 5.01% | 5.02% | 5.01% |

Bourne Fen Farm Trust Fund

Revenue Account for Year Ended 31st March 2023

| Income | 2023 | 2022 |
|--------------------------------|-------------|-------------|
| | £ | £ |
| Investment Income | 14,433 | 14,105 |
| Expenditure | | |
| Contribution to Rates | 9,245 | 9,247 |
| Bank Charges | 4 | 4 |
| Contribution to Administration | 4,482 | 4,766 |
| | 13,731 | 14,017 |
| Surplus | 702 | 88 |

Balance Sheet as at 31st March 2023

| Capital Assets | Note | 2023 | 2022 |
|---|-------------|----------------|----------------|
| Investments | A | 323,214 | 357,970 |
| Current Assets | | | |
| Bank Account | | 16,083 | 15,819 |
| Debtors | | 808 | 370 |
| | | 16,891 | 16,189 |
| Current Assets | | | |
| Creditors | | | |
| Net Current Assets | | 340,105 | 374,159 |
| Fund Balances & Reserves | | | |
| Revaluation Reserve | | 224,151 | 258,907 |
| Capital Fund | | 104,120 | 104,120 |
| Revenue Reserve | | 11,834 | 11,132 |
| | | 340,105 | 374,159 |
| Reserves | | 340,105 | 374,159 |

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

| | 2023 | 2022 | 2023 | 2022 |
|---------------------------|---------------|--------------|----------------|----------------|
| | % of | % of | | |
| Analysis By Sector | Value | Value | Value £ | Value £ |
| Overseas Equities | 36.11 | 38.12 | 116,706 | 136,451 |
| UK Bonds | 13.58 | 18.28 | 43,879 | 65,447 |
| Other Investments | 12.40 | 9.04 | 40,088 | 32,356 |
| UK Equities | 18.21 | 20.27 | 58,841 | 72,545 |
| Overseas Bonds | 9.39 | 4.68 | 30,347 | 16,766 |
| Absolute Return | 5.21 | 5.00 | 16,828 | 17,906 |
| Property | 2.68 | 3.19 | 8,649 | 11,413 |
| Cash | 2.42 | 1.42 | 7,876 | 5,086 |
| TOTALS | 100.00 | 100.00 | 323,214 | 357,970 |

BLACK SLUICE INTERNAL DRAINAGE BOARD

EXECUTIVE COMMITTEE - 23 MAY 2023

AGENDA ITEM 10

PERIOD 01 MANAGEMENT ACCOUNTS

Income

- 34% of Drainage Rates have been collected in April
- £40,000 Grant has been received for Last year's Natural Flood Management Works. It was received in this year so will have to be recorded in this year's accounts.
- Recoverable Income is only about 50% compared to P1 last year but it is expected this will recover in future periods

Expenditure (More to note than usual in Period 1)

- Schemes are underspent by £68,836 in Period 1
 - £1,241 has been spent on Slip repairs but there was no budget
 - £4,335 has been spent on the North Forty Foot Revetments with the budget proposed to be brought forward from last year
 - £8,894 has been spent on Alternate Bank programme works, the budget for the year is £20,000
 - Sempringham work continues, reported in Schemes report for 2022/23
- Pumping Station Maintenance has had a positive start with all but 7 electricity invoices received. (102 invoices received in one go which are being processed and checked)
 - Large credits received on the February bills for flexible contracts in January and February. Up to £1000 on some of the bills.
 - £150 per Pumping Station from the government
 - Actual Bills have come in £26,000 less than the estimates over the 4 month period (£46,684 instead of £72,300)
- Drain Maintenance overall is £7,981 underspent
 - Due to a colder spring early cutting of priority watercourses has not been necessary £13,830 favourable
 - Desilting over run into this financial year due to wet conditions in March
 - Bushing and Culvert Surveying have had £3,601 spent on them with no budget
 - £10,000 Jetting budget that was supposed to be spent in Period 1 has not been
- Environmental Schemes is overspent, but this is just a timing issue
- Administration Costs Overall is £5,843 overspent
 - Admin Salary is £3,061 overspent – We have paid the £8,000 pension deficit for the entire year instead of splitting it up monthly
 - Other Admin & Depot Codes are £2,782 over spent and to be analysed further

Balance Sheet

- Plant Account is slow to get going as normal, £28,000 surplus less than last year.
 - £21,486 of cutting basket spares were bought in period 1 (in period 2 last year)
- There is an early deficit on the Wages on cost account as planned with the reserve at £100,146
- There are no Debtors remaining from last year
- The value of both investments improved slightly in April
- I am still waiting on our account with BGC Brokers to be confirmed as set up
- Current Investments/cash holdings @ 30/04/23
 - NatWest Reserve Account £1,280,043 @ 1.0%
 - NatWest 35 day notice account £500,000 @ 1.61%
 - Monmouthshire Building Society £300,000 @ 0.65%

Black Sluice Internal Drainage Board

Project Summary

2023/24

Period 01 - April 2023

| Description | Period Current Year | | | Year To Date | | | | | Last Year | |
|--------------------------------|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|--------------------------|
| | Actual | Budget | Variance | Actual | Budget | Variance | Forecast | Variance | Actual YTD | Variance to Current Year |
| Rates & Levies | 496,852 | 526,608 | (29,756) | 496,852 | 526,608 | (29,756) | 0 | 496,852 | 414,447 | 82,405 |
| Interest & Grants | 42,640 | 1,209 | 41,431 | 42,640 | 1,209 | 41,431 | 0 | 42,640 | 902 | 41,738 |
| Development Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Income | 3,443 | 4,043 | (600) | 3,443 | 4,043 | (600) | 0 | 3,443 | 3,565 | (122) |
| Rechargeable Income | 12,929 | 26,692 | (13,763) | 12,929 | 26,692 | (13,763) | 0 | 12,929 | 39,423 | (26,494) |
| Solar Panel Income | 2,609 | 2,311 | 298 | 2,609 | 2,311 | 298 | 0 | 2,609 | 2,291 | 318 |
| Total Income | 558,471 | 560,863 | (2,392) | 558,471 | 560,863 | (2,392) | 0 | 558,471 | 460,628 | 97,843 |
| Schemes | 18,486 | 6,000 | (12,486) | 18,486 | 6,000 | (12,486) | 0 | (18,486) | 35 | (18,451) |
| Pumping Station Schemes | 12,678 | 91,000 | 78,322 | 12,678 | 91,000 | 78,322 | 0 | (12,678) | 2,348 | (10,330) |
| Pumping Station Maintenance | 45,216 | 86,894 | 45,217 | 45,216 | 86,894 | 45,217 | 0 | (41,677) | 18,235 | (10,163) |
| Electricity | (3,539) | | | (3,539) | | | | | 13,280 | 0 |
| Drain Maintenance | 20,516 | 28,497 | 7,981 | 20,516 | 28,497 | 7,981 | 0 | (20,516) | 30,065 | 9,550 |
| Environmental Schemes | 1,924 | 69 | (1,855) | 1,924 | 69 | (1,855) | 0 | (1,924) | 81 | (1,843) |
| Administration & Establishment | 71,350 | 65,507 | (5,843) | 71,350 | 65,507 | (5,843) | 0 | (71,350) | 58,960 | (12,390) |
| EA Precept | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rechargeable Expenditure | 11,747 | 24,830 | 26,011 | 11,747 | 24,830 | 13,083 | 0 | (11,747) | 38,727 | (12,443) |
| Solar Panel Expenses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditure | 178,378 | 302,797 | 137,347 | 178,378 | 302,797 | 124,419 | 0 | (178,378) | 161,730 | (56,071) |
| Surplus / (Deficit) | 380,093 | 258,066 | 122,027 | 380,093 | 258,066 | 122,027 | 0 | 380,093 | 298,898 | 81,195 |
| Movement on reserves | | | | | | | | | | |
| Plant Reserve | 9,545 | 0 | (9,545) | 9,545 | 0 | (9,545) | 9,538 | (7) | (22,244) | (31,789) |
| Pump Engineer Oncost | 937 | 0 | (937) | 937 | 0 | (937) | 0 | (937) | (46) | (983) |
| Wages oncost Reserve | 27,877 | 0 | (27,877) | 27,877 | 0 | (27,877) | 0 | (27,877) | 8,897 | (18,980) |
| Grants Manager | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (13,988) | (13,988) |
| Surplus / (Deficit) | 341,734 | 258,066 | 160,385 | 341,734 | 258,066 | 160,385 | (9,538) | 408,913 | 326,278 | 146,934 |

Black Sluice Internal Drainage Board Drainage Rates & Special Levies

2023/24

Period 01 - April 2023

Drainage Rates & Special Levies Due

Drainage Rates

| | | |
|---|--------------|--------|
| Annual Drainage Rates - Land and/or buildings | 1,451,545.17 | |
| Land/Property - Value Decreased | (518.75) | |
| Land/Property - Value Increased | 215.97 | |
| New Assessment | 302.78 | |
| Write Offs & Irrecoverables | | |
| Adjustments required for Special Levy | | |
| Summons Collection Costs | | |
| | | |
| Balance | 1,451,545.17 | 48.66% |

Special Levies

| | | |
|---------------------------------|--------------|--------|
| Boston Borough Council | 1,139,128.16 | |
| South Holland District Council | 213,985.74 | |
| North Kesteven District Council | 97,415.80 | |
| South Kesteven District Council | 80,851.16 | |
| | | |
| | 1,531,380.86 | 51.34% |

| | | |
|------------------|---------------------|----------------|
| Total Due | 2,982,926.03 | 100.00% |
|------------------|---------------------|----------------|

Drainage Rates & Special Levies Collected

| | | |
|-------------------------------------|-------------------|--------|
| B/F Arrears/(Allowances) | (1,842.22) | |
| Payments Posted | 498,693.75 | |
| Returned Amount | | 34.23% |
| Paid Refund | | |
| Bourne North Fen Trust Contribution | | |
| Special Levies Received | | 0.00% |
| | | |
| Total Received | 496,851.53 | |

Drainage Rates & Special Levies Debtors

| | | |
|----------------------------|---------------------|---------|
| Special Levy Outstanding | 1,531,380.86 | 100.00% |
| Drainage Rates Outstanding | 954,693.64 | 65.77% |
| | | |
| | 2,486,074.50 | |
| | | |
| | 2,982,926.03 | |

Black Sluice Internal Drainage Board

Income & Expenditure Summary

2023/24

Period 01 - April 2023

| | This Year | Last Year | Variance |
|--------------------------------|----------------|----------------|-----------------|
| Drainage Rates | 496,852 | 414,447 | 82,405 |
| Special Levies | 0 | 0 | 0 |
| Recoverable | 12,929 | 39,423 | (26,494) |
| Misc Income | 46,194 | 4,595 | 41,599 |
| Solar Panel Income | 2,609 | 2,291 | 318 |
| | 558,583 | 460,755 | 97,828 |
| | | | |
| Employment Costs | 150,438 | 117,804 | (32,633) |
| Property | 13,125 | 18,704 | 5,580 |
| General Expenses | 20,975 | 9,037 | (11,939) |
| Materials / Stock | 501 | 658 | 158 |
| Motor & Plant | 26,390 | 4,870 | (21,520) |
| Miscellaneous | 5,420 | (16,597) | (22,017) |
| Recharges | (31,770) | (38,087) | (6,317) |
| Plant | 31,770 | 38,087 | 6,317 |
| | | | |
| Total Expenditure | 216,848 | 134,477 | (82,372) |
| | | | |
| Net Surplus / (Deficit) | 341,735 | 326,278 | 15,456 |

Black Sluice Internal Drainage Board

Balance Sheet at Period End

2023/24

Period 01 - April 2023

| | <u>This Year</u> | | <u>Last Year</u> | |
|---|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Operational Land & Buildings Cost | 1,009,350 | | 1,009,350 | |
| Pumping Stations Cost | 3,861,354 | | 3,861,354 | |
| Non-operational Property Cost | 165,000 | | 165,000 | |
| Vehicles, Plant & Machinery Cost | 967,697 | | 724,193 | |
| Fixed Assets | | 6,003,401 | | 5,759,897 |
| Stock | 46,114 | | 38,486 | |
| Debtors Control | 191,904 | | 45,279 | |
| VAT | 23,978 | | (5,065) | |
| Car Loans | 8,333 | | 15,219 | |
| Prepayments | 87,149 | | 75,594 | |
| Drawings Bank Account | (27,139) | | (20,856) | |
| Call Bank Account | 311,667 | | 315,837 | |
| Petty Cash | 349 | | 545 | |
| Highland Water | 3,916 | | 1,192 | |
| Work in Progress | (148,540) | | (308,680) | |
| Nat West Government Procurement C | 0 | | 0 | |
| Brewin Dolphin Investment | 422,129 | | 475,662 | |
| Natwest Reserve Account | 1,280,043 | | 1,895,406 | |
| Natwest 35 Day Notice Account | 500,631 | | 0 | |
| Total Current Assets | | 2,700,534 | | 2,528,618 |
| Trade Creditors | (24,634) | | (22,272) | |
| PAYE & NI Control Account | (38,763) | | (32,030) | |
| Superannuation Contrl Account | (32,425) | | (20,225) | |
| Accruals | (124,734) | | (147,007) | |
| Total Liabilities | | (220,557) | | (221,533) |
| Pension Liability | | (2,703,000) | | (2,703,000) |
| | | 5,780,378 | | 5,363,982 |
| Capital Reserve | 5,933,400 | | 5,759,896 | |
| Pension Reserve | (2,703,000) | | (2,703,000) | |
| Brewin Dolphin Revaluation | (77,871) | | (24,338) | |
| Total Capital | | 3,152,529 | | 3,032,558 |
| Revenue Reserve | 1,432,256 | | 1,262,024 | |
| Development Reserve | 479,781 | | 406,439 | |
| Plant Reserve | 246,054 | | 262,206 | |
| Wages Oncost Reserve | 128,023 | | 74,476 | |
| General Reserve | 341,735 | | 326,278 | |
| Total Reserves | | 2,627,849 | | 2,331,424 |
| | | 5,780,378 | 0 | 5,363,982 |
| <u>Cash & Bank Balances</u> | | | | |
| Drawings Account | | (27,139) | | |
| Call Account | | 11,667 | 311,667 | |
| Natwest Reserve Account @ 1.0% wef 14/02/23 | | 1,280,043 | | |
| Natwest 35 Day Notice Account @ 1.61% wef 14/02/23 | | 500,631 | | |
| Petty Cash | | 349 | | |
| Chargecard | | 0 | | |
| Monmouthshire BS @ 0.65% | | 300,000 | 30 Day Notice | |
| | | 2,065,551 | | |

Black Sluice Internal Drainage Board Investment Summary 2023/24 Period 01 - April 2023

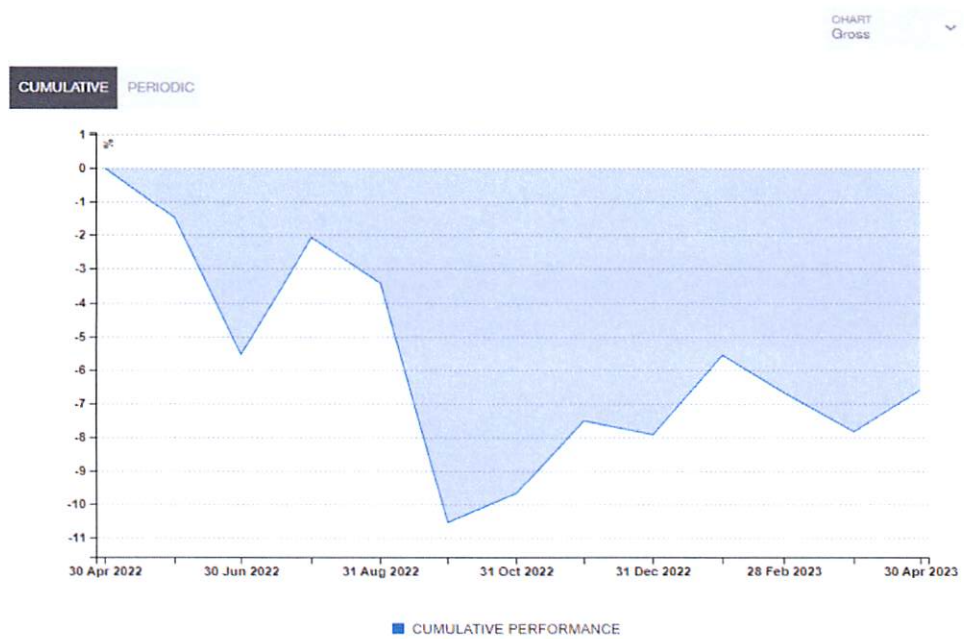
PORTFOLIO P1684056 VALUATION DATE 10 May 2023

30/04/2022 - 30/04/2023

Portfolio Overview

| |
|--|
| <p>LAST 12 MONTHS PERFORMANCE</p> <p>-6.59%</p> |
| <p>TOTAL VALUE</p> <p>422,129.31 GBP</p> |
| <p>ESTIMATED ANNUAL INCOME</p> <p>15,416.13 GBP</p> |

Performance



Portfolio Summary

| | | | |
|--|--|---|--|
| <p>BOOK COST</p> <p>460,065.03 GBP</p> | <p>OVERALL GAIN OR LOSS</p> <p>-8.25%</p> | <p>ESTIMATED ANNUAL INCOME</p> <p>15,416.13 GBP</p> | <p>ESTIMATED YIELD %</p> <p>3.65%</p> |
|--|--|---|--|

Black Sluice Internal Drainage Board

BFF Investment Summary

2023/24

Period 01 - April 2023

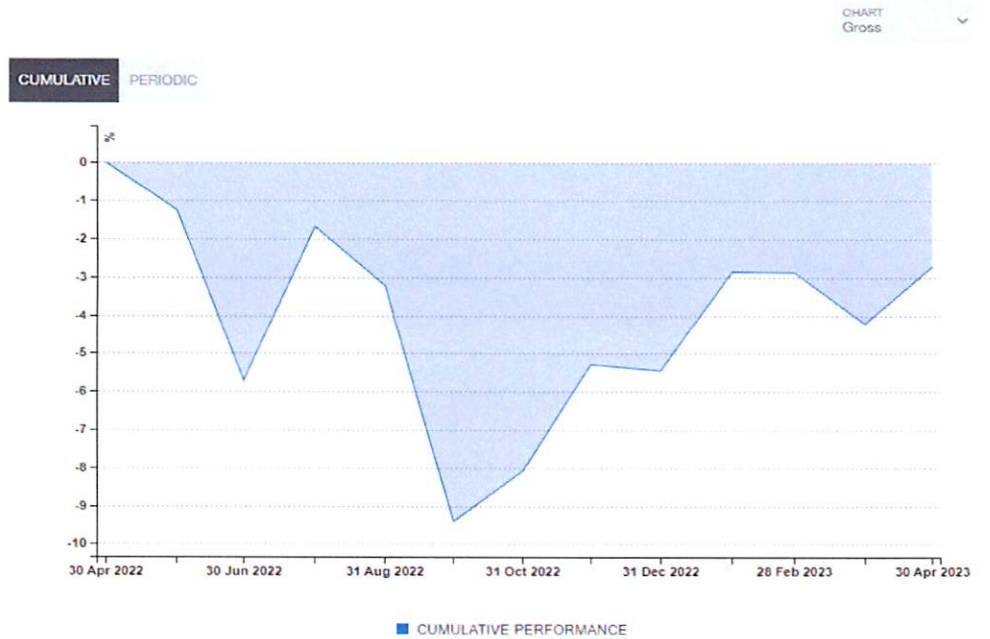
PORTFOLIO P0000789299 VALUATION DATE 10 May 2023

30/04/2022 - 30/04/2023

Portfolio Overview

| |
|--|
| <p>LAST 12 MONTHS PERFORMANCE</p> <p>-2.72%</p> |
| <p>TOTAL VALUE</p> <p>326,737.10 GBP</p> |
| <p>ESTIMATED ANNUAL INCOME</p> <p>11,374.28 GBP</p> |

Performance



Portfolio Summary

| BOOK COST | OVERALL GAIN OR LOSS | ESTIMATED ANNUAL INCOME | ESTIMATED YIELD % |
|----------------|----------------------|-------------------------|-------------------|
| 313,453.13 GBP | 4.24%↑ | 11,374.28 GBP | 3.48%↑ |

Black Sluice Internal Drainage Board

Unaudited Financial Statements
For The Year Ended 31st March 2023

DRAFT



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Black Sluice Internal Drainage Board - Members

| Elected Members | | Electoral District |
|-----------------|-------------------------------------|--------------------|
| Mr K C Casswell | Chairperson - Board | E |
| | Chairperson - Executive Committee | |
| Mr P Holmes | Vice Chairperson - Board | G |
| | Chairperson - Northern Works | |
| | Chairperson - Environment Committee | |
| Mr M Rollinson | Chairperson - Southern Works | F |
| Mr J Fowler | Chairperson - Structures | G |
| Mr W Ash | | D |
| Mr J F Atkinson | | D |
| Mr V A Barker | | C |
| Mr M Leggott | | A |
| Mr R Needham | | B |
| Mr P Robinson | | B |
| Mr C Wray | | E |

Members Appointed by District Councils

| Boston Borough Council | |
|------------------------|--------------------------------------|
| Mr T Ashton | |
| Mr R Austin | |
| Mr P Bedford | |
| Mr M Brookes | Chairperson - Audit & Risk Committee |
| Mr M Cooper | |
| Mr F Pickett | |
| Mr P Skinner | |

| South Holland District Council |
|--------------------------------|
| Mr S Walsh |

| South Kesteven District Council |
|---------------------------------|
| Mr R Reid |

| North Kesteven District Council |
|---------------------------------|
| Mr M Head |

| 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 4.

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 2023, 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 arrangements for the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31st March 2023, that:

| | Agreed - Yes or No | Yes' means that the board: |
|--|-----------------------|---|
| 1 We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements. | Yes | prepared its accounting statements in accordance with the Accounts and Audit Regulations. |
| 2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and 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 proper practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances. | Yes | 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. | Yes | during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts. |
| 5 We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | Yes | considered and documented 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 accounting records and control systems. | Yes | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority. |
| 7 We took appropriate action on all matters raised in 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 the year-end, have a financial impact on this authority 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 13 June 2023.

Signed on behalf of Black Sluice Internal Drainage Board.

.....
Mr Keith Casswell
Chairman
13 June 2023

.....
Mr Daniel Withnall
Finance Manager
13 June 2023

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 2023.

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 31 March 2023 and its income and expenditure for the year then ended.

.....
Mr Daniel Withnall
13 June 2023

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 13 June 2023.

.....
Mr Keith Casswell
13 June 2023

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 2021 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 retain these values in the accounts as a nominal value 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 2021 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 £236,911 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 2023

| | Note | 2022/23 | 2021/22 |
|-------------------------------------|------|------------------|------------------|
| Income | | £ | £ |
| Drainage Rates | | 1,135,243 | 1,095,204 |
| Special Levies on Councils | 1 | 1,190,351 | 1,109,294 |
| Income from Rechargeable Works | | 683,313 | 822,534 |
| Grant Income (Including Local Levy) | 2 | 70,000 | 293,500 |
| Sundry Income | 3 | 199,973 | 46,324 |
| Rental Income | | 7,366 | 7,366 |
| Investment Income | | 10,279 | 10,590 |
| Development Reserve Contribution | | 5,000 | 5,000 |
| Interest | | 7,078 | 1,243 |
| | | 3,308,603 | 3,391,055 |
| Expenditure | | | |
| Drain Maintenance | | 808,894 | 763,367 |
| Cost of Rechargeable Works | | 621,531 | 743,006 |
| Administration Costs | | 466,103 | 445,192 |
| Pumping Stations | | 522,868 | 381,849 |
| Asset Refurbishments | 4 | 268,084 | 597,322 |
| Environment Agency Precept | | 276,552 | 276,552 |
| Establishment Charges | | 67,768 | 63,440 |
| Miscellaneous Charges | | 23,229 | 19,674 |
| Depot Costs | | 65,534 | 53,687 |
| Environmental Schemes | | 17,808 | 19,578 |
| | | 3,138,371 | 3,363,667 |
| Surplus / (Deficit) | | 170,232 | 27,388 |

Black Sluice Internal Drainage Board Balance Sheet as at 31st March 2023

| | Note | 2022/23 | 2021/22 |
|--|------|-------------|-------------|
| Fixed Assets | | | |
| Pumping Stations | | 3,861,354 | 3,861,354 |
| Land & Buildings | | 1,009,350 | 1,009,350 |
| Vehicles, Plant & Equipment | | 897,697 | 724,193 |
| Non Operational Assets | | 165,000 | 165,000 |
| | 8 | 5,933,401 | 5,759,897 |
| Current Assets | | | |
| Stock | | 50,167 | 36,539 |
| Debtors & Prepayments | 9 | 193,100 | 200,428 |
| Investment Valuation | | 417,960 | 487,191 |
| Cash at bank & in hand | 10 | 1,777,330 | 1,836,774 |
| | | 2,438,557 | 2,560,932 |
| Current Liabilities | | | |
| Creditors | 11 | (278,851) | (568,597) |
| Net Current Assets | | 2,159,706 | 1,992,335 |
| Liability related to defined pension scheme | | (2,703,000) | (2,703,000) |
| Total Assets less Liabilities | | 5,390,107 | 5,049,232 |
| Capital Reserve | | 5,933,400 | 5,759,896 |
| Pension Reserve | | (2,703,000) | (2,703,000) |
| Investment Revaluation Reserve | | (82,040) | (12,809) |
| | | 3,148,360 | 3,044,087 |
| Revenue Reserve | | 1,432,256 | 1,262,024 |
| Development Reserve | | 460,414 | 406,439 |
| Plant Reserve | | 221,054 | 262,206 |
| Wages Oncost Reserve | | 128,023 | 74,476 |
| | | 2,241,747 | 2,005,145 |
| | 12 | 5,390,107 | 5,049,232 |

Mr K Casswell
Chairman
13 June 2023

Mr DJ Withnall
Finance Manager
13 June 2023

Black Sluice Internal Drainage Board

Notes to the Accounts

| | 2022/23 | 2021/22 |
|---------------------------------|------------------|------------------|
| 1 Special Levies | £ | £ |
| Boston Borough Council | 885,734 | 842,838 |
| South Holland District Council | 166,134 | 134,532 |
| North Kesteven District Council | 75,250 | 71,228 |
| South Kesteven District Council | 63,233 | 60,696 |
| | 1,190,351 | 1,109,294 |

| | 2022/23 | 2021/22 |
|--|---------------|----------------|
| 2 Government Grants received from Defra | £ | £ |
| SFF Upper Catchment NFM and Control Analysis | | 20,000 |
| Dunsby Fen Catchment Works | | 7,000 |
| Flood Alleviation Scheme Horbling Town Beck | | 10,000 |
| Bicker Fen Catchment Works | | 17,000 |
| Ewerby Fen Catchment Works | | 15,000 |
| Telemetry Software & CCTV | 20,000 | 189,500 |
| Dowsby Fen Catchment Study | | 35,000 |
| Black Sluice Catchment Modelling Study | 50,000 | |
| | 70,000 | 293,500 |

| | 2022/23 | 2021/22 |
|------------------------|----------------|---------------|
| 3 Sundry Income | £ | £ |
| Sundry Income | 178,562 | 29,858 |
| Solar Income | 21,411 | 16,466 |
| | 199,973 | 46,324 |

| | 2022/23 | 2021/22 |
|--------------------------------|----------------|----------------|
| 4 Asset Refurbishments | £ | £ |
| Drain Asset Improvements | 161,954 | 368,955 |
| Pumping Station Refurbishments | 106,130 | 228,367 |
| | 268,084 | 597,322 |

5 Remuneration

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

| Band £ | 2022/23 | 2021/22 |
|--------------------|----------|----------|
| 50,000 to 59,999 | | |
| 60,000 to 69,999 | 1 | 1 |
| 70,000 to 79,999 | 1 | 1 |
| 80,000 to 89,999 | | |
| 90,000 to 99,999 | | 1 |
| 100,000 to 109,999 | 1 | |
| | 3 | 3 |

6 Audit Fees

| | 2022/23 | 2021/22 |
|---|--------------|--------------|
| | £ | £ |
| Fees paid to the Board's External Auditor | 2,940 | 2,800 |
| | 2,940 | 2,800 |

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 £ |
|------------------------------|---|--------------------------|-------------------------------------|--|------------------|
| Cost | | | | | |
| Opening Balance | 1,009,350 | 3,861,354 | 165,000 | 1,762,047 | 6,797,751 |
| Additions | 0 | 0 | 0 | 323,871 | 323,871 |
| Disposals | 0 | 0 | 0 | (208,050) | (208,050) |
| Revaluation | 0 | 0 | 0 | 0 | 0 |
| As at 31st March 2023 | 1,009,350 | 3,861,354 | 165,000 | 1,877,868 | 6,913,572 |
| Depreciation | | | | | |
| Opening Balance | 0 | 0 | 0 | (1,037,854) | (1,037,854) |
| Disposals | 0 | 0 | 0 | 208,046 | 208,046 |
| Charge for year | 0 | 0 | 0 | (150,363) | (150,363) |
| As at 31st March 2023 | 0 | 0 | 0 | (980,171) | (980,171) |
| Net Book Value | | | | | |
| As at 31st March 2022 | 1,009,350 | 3,861,354 | 165,000 | 724,193 | 5,759,897 |
| As at 31st March 2023 | 1,009,350 | 3,861,354 | 165,000 | 897,697 | 5,933,401 |

9 Debtors & Payment in Advance

| | 2022/23 £ | 2021/22 £ |
|-------------------------------|----------------|----------------|
| Trade Debtors | 61,229 | 108,136 |
| Prepayments | 103,776 | 81,111 |
| Officers Car Loans | 8,706 | 15,896 |
| Rechargeable Work in Progress | 0 | 8,821 |
| HM Revenue & Customs (VAT) | 17,547 | (14,936) |
| Drainage Rate Debtors | 1,842 | 1,400 |
| | 193,100 | 200,428 |

10 Cash at Bank & in hand

| | 2022/23 £ | 2021/22 £ |
|---------------|------------------|------------------|
| Bank Deposits | 1,777,071 | 1,836,368 |
| Petty Cash | 259 | 406 |
| | 1,777,330 | 1,836,774 |

11 Creditors

| | 2022/23 £ | 2021/22 £ |
|-----------------|----------------|----------------|
| Trade Creditors | 138,749 | 198,236 |
| Accruals | 140,102 | 370,361 |
| | 278,851 | 568,597 |

12 Reserves

| | Balance 31/03/2022 | Additions in Year | Withdrawals in year | Balance 31/03/2023 |
|--------------------------------|-----------------------|----------------------|------------------------|-----------------------|
| Capital Reserve | 5,759,896 | 323,867 | (150,363) | 5,933,400 |
| Pension Reserve | (2,703,000) | | | (2,703,000) |
| Investment Revaluation Reserve | (12,809) | | (69,231) | (82,040) |
| Revenue Reserve | 1,262,024 | 170,232 | | 1,432,256 |
| Development Reserve | 406,439 | 58,975 | (5,000) | 460,414 |
| Plant Reserve | 262,206 | 282,719 | (323,871) | 221,054 |
| Wages Oncost Reserve | 74,476 | 279,999 | (226,452) | 128,023 |
| | 5,049,232 | 1,115,792 | (774,917) | 5,390,107 |

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.