

2021/22 Year-End Position **Summary**

Pages 2 to 5 - SDBC Year-End Position (Surplus of £58k)

- Income was under achieved by £30k mainly due to staff recharges that did not happen and additional consent fees. The staff recharge budget has been removed for 2022/23
- Expenditure was underspend by £84k due to
 - Staff costs £106k reflecting vacancies
 - Contractor costs £8k
 - Legal costs -£27 costs to ensure Complaints and Grievances correctly handled

The surplus of £58k has been shared by all 3 Boards according to Consortium agreement

Pages 6 to 11 – NSLIDB Year-End Position (Surplus of £74k)

- Income was on budget
 - Works done -£2k
 - Bank interest -£1k
 - Legal costs recoverable -£1k (summons costs)
 - Share of Consortium income £4k
- Expenditure was underspend by £74k due to
 - Maintenance £32k (mainly repairs and renewals)
 - Board Schemes £23k
 - Business rates £5k (refund of previous years charge)
 - Environmental Plans £1k (BAP and WLMP)
 - Share of consortium expenditure £6k
 - Other small variances £7k

Pages 12 to 13 – Annual Governance and Accountability Return (AGAR)

- Annual Governance Statement with the 8 questions requiring a yes or no answer
- Accounting Statement

Page 14 – Reserve Position

- Reserves have increased by £66k

Somerset Drainage Boards Consortium Accounts – Pre surplus share
(Pages 2 – 5)

SOMERSET DRAINAGE BOARDS CONSORTIUM						
Balance sheet as at 31 March 2022						
1 April 2021			Notes	£	£	£
	Fixed Assets					
	- Vehicles		3		15,203	
25,312	Computer hardware & software		3		18,816	
2,345	Office furniture & equipment		3		1,896	
662	General equipment		3		1,952	
28,319						37,867
	Current Assets					
2,247	VAT recoverable				6,183	
15,671	Debtors & prepayments		4		22,745	
56,171	Cash at bank				62,685	
	- Cash in hand					
74,089						91,613
	Less: Liabilities					
	- VAT				-	
102,408	Creditors & accruals		5		70,946	70,946
	- Net Assets					58,534
	Represented by:					
	Revenue Account					
	- Balance brought forward					-
	- Surplus for the year					58,534
	-					58,534
	Appportioned to:					
	Retained surplus					
	Axe Brue Drainage Board		45.10%			
	Parrett Drainage Board		36.90%			
	North Somerset Levels		18.00%			

SOMERSET DRAINAGE BOARDS CONSORTIUM						
Income and Expenditure Account for the Year ended 31 March 2021						
2021		31 March 2020			Budget	Variance Fav/(Adv)
£		£	£	£		
	Income					
921,618	Member Boards' contributions			1,273,204	1,273,204	-
108,698	Contributions to employment costs			16,258	55,156	(38,898)
1,202	Administration recharge			391	611	(220)
11,500	Consent & registration fees, planning advice			17,500	7,000	10,500
8	Bank interest receivable			10	10	(0)
219	Sundry income			2,657	-	2,657
1,043,245				1,310,019	1,335,981	(25,962)
	Expenditure					
	Salaries & fees					
883,096	Staff salaries + on-costs	987,244			1,081,856	94,612
8,839	Staff expenses	17,805			24,616	6,811
3,118	Staff statutory expenses	5,754			9,416	3,662
3,198	Staff training	6,567			9,780	3,213
249	Recruitment costs	3,747			1,600	(2,147)
-	Agency staff	-			-	-
45,054	Other professional/consultancy fees	44,404			44,155	(249)
943,554			1,065,521		1,171,423	105,902
	Vehicle expenses					
-	Fuel	7,097			6,500	(597)
-	Repairs	2,900			2,994	94
-	Other vehicle costs	3,613			4,174	561
-	Vehicle depreciation	3,199			4,696	1,497
-			16,809		18,364	1,555
	General expenses					
-	Chairman's expenses	750			-	(750)
-	Board expenses	338			-	(338)
-	Room hire	119			-	(119)
-	PR, hospitality	-			-	-
15,320	Subscriptions & licences	15,416			14,990	(426)
-	Contractor Costs	38,595			46,899	8,304
8	Telemetry licence/support	-			-	-
4	Telemetry operational costs	-			-	-
11,832	Insurance	11,333			15,798	4,465
180	Land enquiries	228			270	42
27,344			66,779		77,957	11,178
	Office expenses					
4,281	Telephone	6,548			7,944	1,396
5,400	Stationery, printing & postage	6,429			6,970	541
1,084	Office consumables	2,353			3,705	1,352
-	Publications/Adverts	345			50	(295)
3	Office sundries	324			-	(324)
725	Website development	129			349	220
294	Purchases of software + furniture & eqpmt	160			500	341
2,677	Computer maintenance	984			1,000	16
3,736	Software maintenance	6,592			5,263	(1,329)
66	Equipment maintenance	252			405	153
695	Alarms maintenance	351			483	132
18,961			24,466		26,669	2,203
	Property expenses					
16,365	Rent/usage charge	16,033			16,000	(33)
10,767	Rates	10,904			11,587	683
2,331	Repairs & maintenance	1,557			1,130	(427)
-	Fire Risk Assessment	-			-	-
3,537	Heat & light	3,702			5,460	1,758
2,405	Cleaning	2,742			6,243	3,501
35,405			34,938		40,420	5,482
	Financial expenses					
-	Legal & professional fees	27,733			550	(27,183)
3,201	Operating lease payments	3,007			2,177	(830)
3,941	Bank charges	2,545			2,846	301
7,142			33,286		5,573	(27,713)
	Bad Debt Costs					
100	Bad Debt Write Off	-			-	-
	Depreciation					
10,739	Computer hardware & software	9,686			9,243	(443)
			9,686		9,243	(443)
(1,043,245)				(1,251,486)	(1,335,981)	84,495
-	Surplus for the year			58,534	-	58,534

SOMERSET DRAINAGE BOARDS CONSORTIUM

Notes to the accounts

Year ended 31 March 2022

1. PRINCIPAL ACCOUNTING POLICIES

a. Accounting Convention

The accounts have been prepared under the historical cost convention and the Governance and Accountability for Smaller Authorities in England (March 2016)

b. Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets is reported in the notes to the accounts, provided that the fixed asset yields benefit to the Consortium and the services it provides for a period of more than one year.

In accordance with the Guide, assets financed using governments grants are shown net of any grant used for the purchase.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer and software	25% per annum straight line
Office furniture & equipment	25% per annum reducing balance
General equipment	25% per annum straight line

c. Debtors and Creditors

The Revenue Accounts of the Consortium are maintained on an accruals basis in accordance with the Guide. Therefore, sums due to or from the Consortium during the year are included whether or not the cash has actually been received or paid in the year. This policy is applied consistently each year.

d. Leases

The Consortium has no commitments under finance leases. Rentals payable under operating leases are charged to the revenue on an accruals basis.

e. Reserves

The Consortium currently has no reserve as the reserves built up in previous years has been distributed to the members who helped to build them. Any surplus or deficit in the year is written off to the member boards at the end of the year in the proportions set out in the agreement under which the Consortium was formed.

f. Interest Income

Interest receipts are credited to the revenue account, except for interest accruing on amounts held for the member boards which is added to amounts owed to the boards and includes within current liabilities.

g. Pensions

The pension costs that are charged to the Consortium's revenue account in respect of its employees are equal to the contributions paid to the Local Government Pension Scheme for those employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant Government regulations.

The Pension Fund is administered by Peninsula Pensions on behalf of Somerset County Council.

SOMERSET DRAINAGE BOARDS CONSORTIUM

Notes to the accounts (continued)

Year ended 31 March 2022

2. PENSION

For the year of account the Consortium's pension contributions were £133,734, representing 20.3% of members' gross pay to cover future service costs together with an additional monetary figure of £14,700 to reduce the past service deficit. The contribution rate will remain at 20.3% for the next year whilst the deficit recovery payment will increase to £15,200 in 2022/23

3. FIXED ASSETS

	Computer hardware & software	Office furniture	Vehicles	General equipment	Total
Cost	£	£	£	£	£
Opening balance as at 1 Apr 2021	139,699	31,587	-	20,033	191,319
Disposals	-	-	-	-	-
Additions	1,873	-	18,402	2,157	22,432
As at 31 Mar 2022	141,572	31,587	18,402	22,190	213,751
Depreciation					
Opening balance as at 1 Apr 2021	114,387	29,242	-	19,371	163,000
Disposals	-	-	-	-	-
Charge for the year	8,369	449	3,199	867	12,884
As at 31 Mar 2022	122,756	29,691	3,199	20,238	175,884
Net book value at 1 Apr 2021	25,312	2,345	-	662	28,319
Net book value at 31 Mar 2022	18,816	1,896	15,203	1,952	37,867

4. DEBTORS

	2022	2021
	£	£
Trade debtors	741	8,547
Amounts due from Drainage Boards	-	-
Taxes	6,183	2,247
Prepayments and accrued income	22,004	7,123
	28,928	17,917

5. CREDITORS AND ACCRUED EXPENSES

	2021	2021
	£	£
Accruals	24,906	1,906
Taxes and pension contributions	37,368	31,318
Amounts due to Drainage Boards *	64,597	64,652
Trade creditors	2,609	4,532
	129,480	102,408

North Somerset Levels Internal Drainage Board Accounts
(Pages 6 to 10)

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD						
Balance Sheet as at 31 March 2022						
2021		Note				
£			£	£		£
	Fixed Assets					
3,751	Land & buildings	4				3,751
2,602	Plant & machinery	4				530
6,353						4,281
	Current Assets					
3,561	Arrears of rates		6,116			
(25)	less: Provision for bad debts		(25)	6,092		
5,793	VAT recoverable		8,117			
41,712	Debtors & prepayments	6	36,817			
257,372	Cash & Cash at bank: Current account	5	262,338			
794,304	Deposit account	5	864,516			
				1,171,788		
						1,177,880
1,102,717						1,182,162
	Less: Liabilities		42,486			
399	Rates overpaid			447		
26,743	Sundry creditors & accrued expenses	7		33,245		
474,762	Commutated maintenance charges	8		467,291		
501,904						500,983
607,166	Net Assets					681,178
	Represented by:					
	Reserves					
555,226	Balances brought forward	9				607,166
51,940	Surplus for the year					74,012
607,166						681,178

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD							
Income and Expenditure Account for the Year ended 31 March 2022							
2021		Notes	£	£	£	Budget	Variance Fav/(Adv)
£							
	Income						
84,004	Rates levied				85,370	85672	(302)
544,460	Special levies				558,567	558567	(0)
15,144	Works done				3,315	5371	(2,056)
-	Consent & registration fees				2,111	2000	111
3,053	Legal costs recoverable				661	1221	(560)
3,064	Commutated sums & developers' contributions released				8,100	8020	80
481	Bank interest receivable	3			242	1068	(826)
2,104	Other income				-	0	-
7,208	Share of Consortium income				4,017	-	4,017
659,518					662,383	661,919	464
	Expenditure						
11,687	Staff salaries + on-costs		12,479			12,699	220
-	Other expenses		-			100	100
11,687				12,479		12,799	320
	Maintenance						
146,496	Rhyne cleaning & maintenance		157,020			189,595	32,575
	Pipes & culvert contributions		-				-
	Sluice honoraria		-				-
-	Water level monitoring		-				-
542	Water control structure costs		1,430			1,200	(230)
280	Small tools & sundries		655			2,230	1,575
				159,105			
32,198	Wages plus on-costs		-			-	-
660	Expenditors' travel & other expenses		30			-	(30)
75	Staff training		-			-	-
	Depot rents				30		
	Plant & equipment costs:						
1,144	Fuel & oil		137			-	(137)
747	Repairs, servicing & maintenance		-			-	-
659	Licences & insurance		(199)			-	199
847	Depreciation - plant & machinery	4	177			-	(177)
	- motor vehicles	4	-				-
					115		
183,645				159,249		193,025	33,776
	Schemes						
66,212	Board funded schemes		40,400			63,700	23,300
	SRA work		-			-	-
	45% grant funded		-			-	-
	100% grant funded		-			-	-
66,212					40,400	63,700	23,300
	Property expenses						
12,600	Rent & Service Charge		12,600			12,600	-
4,698	Business Rates		(672)			4,612	5,284
787	Utilities		936			1,437	501
205	Insurance		417			450	33
-	Other Office costs		-			750	750
18,290					13,282	19,849	6,567
	Overheads						
110,366	Precept				112,573	112,573	(0)
173,099	Share of Consortium expenditure				222,889	229,177	6,288
	Contribution to SRA				-		-
595	Advertisements		269			1,000	731
23,436	Other admin costs		9,664			9,441	(223)
1,500	Board costs		1,500			1,771	271
3,521	Subscriptions & licences		3,494			3,546	53
97	Bank charges		84			78	(6)
-	Bad Debts / Write Offs		29				(29)
393	Summons costs & fees		-			20	20
	Environmental plans		-			1,000	1,000
12,368	Legal & professional fees		10,117			10,140	23
2,344	Audit & accountancy fees		2,344			3,800	1,456
25	Provision for doubtful debts		-			-	-
327,744					362,962	372,546	9,584
(607,578)	Total expenditure				(588,372)	(661,919)	(73,547)
51,940	Surplus/(deficit) for the period				74,012	-	74,012

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD

Notes to the accounts

Year ended 31 March 2022

1. The North Somerset Levels Internal Drainage Board was formed on 1 April 2011 by the amalgamation of the Boards known as North Somerset and West Mendip.

2. PRINCIPAL ACCOUNTING POLICIES

a. Accounting Convention

The accounts have been prepared under the historical cost convention, incorporating the revaluation of property owned, and the Governance and Accountability in Internal Drainage Boards in England Notes (A Practitioner's Guide 2006 v 2.0)

b. Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets is reported in the notes to the accounts, provided that the fixed asset yields benefit to the Board and the services it provides for a period of more than one year.

Depreciation is charged on fixed assets to spread their cost over the useful economic life as follows:

Buildings	0% per annum
Vehicles	25% per annum reducing balance

c. Debtors and Creditors

The Revenue Accounts of the Board are maintained on an accruals basis in accordance with the Guide. Therefore, sums due to or from the Board during the year are included whether or not the cash has actually been received or paid in the year. This policy is applied consistently each year.

d. Leases

The Board has no commitments under finance leases. Rentals payable under operating leases are charged to the revenue on an accruals basis.

e. Reserves

The Board maintains reserves to meet general and specific future expenditure.

f. Interest Income

Interest attributable to the amounts held for commuted maintenance charges is credited to the commuted sum. All other interest receipts are credited to the revenue account.

g. Administration

The Board's administration is carried out by Somerset Drainage Boards Consortium, a Joint Activity Not an Enterprise (JANE), which is funded jointly by Axe Brue, Parrett and North Somerset Levels Drainage Boards. The Consortium's income and expenditure, after charges to Boards for staff employed on specific Board activities, is allocated proportionately between the Boards and each is shown as a separate figure within the income and expenditure statements. The net amount attributable to each Board is included within Debtors and Prepayments.

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD

Notes to the accounts (continued)

Year ended 31 March 2022

3. INTEREST AND INVESTMENT INCOME

	2022	2021
	£	£
Investment Income (Money Market Funds)	126	832
Investment Income (North Somerset Council)	600	294
Investment Income (National Savings)	204	204
Investment Income (NatWest Business Reserve)	38	81
	<u>968</u>	<u>1,411</u>

The bank interest is the total figure. Some of this interest is credited to Commuted Sums held and therefore the figure quoted is not that within the General Fund I&E account

4. COMMUTED SUMS

One-off contributions received from developers are recorded on the balance sheet as part of the reserves figure brought forward (although held separately within the accounting system). The funds will reduce as and when work is carried out for which the original contribution was paid to the Board to the match the relevant costs incurred in the year.

	2022	2021
	£	£
OSW Capital	20,930	20,911
Commuted sums	454,461	435,574
New sums received in the year	0	21,342
Released to revenue account	<u>(8,100)</u>	<u>(3,064)</u>
Balance unspent carried forward	<u>467,291</u>	<u>474,762</u>

5. PENSIONS

The pension costs that are charged to the revenue account are equal to the contributions paid to NEST for its employees.

A NEST is a defined contribution scheme and is open for all new employees.

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD
Notes to the accounts (continued)
Year ended 31 March 2022

6. TANGIBLE FIXED ASSETS

	Land & buildings	Plant & machinery	Total
Cost or Valuation		£	
At 1 April 2021	3,751	15,168	18,919
Acquisitions during the year	-	-	-
Disposals	-	(14,202)	(14,202)
Capitalised costs of refurbishment during the year	-	-	-
At 31 March 2022	3,751	966	4,717
Depreciation			
Opening balance as at 1 April 2021	-	12,566	12,566
Disposals	-	(12,307)	(12,307)
Charge for the year	-	177	177
As at 31 March 2022	-	436	436
Net Book Value			
Net book value at 31 March 2021	3,751	2,602	6,353
Net book value at 31 March 2022	3,751	530	4,281

7. DEBTORS AND PREPAYMENTS

	2022	2021
	£	£
Debtors	7,803	15,880
Prepayments	11,570	14,149
Accrued income	0	0
Share of Somerset Drainage Boards Consortium retained balances	17,444	11,682
	<u>36,817</u>	<u>41,711</u>

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD
Notes to the accounts (continued)
Year ended 31 March 2022

8. CREDITORS

	2022	2021
	£	£
Creditors	28,983	6,075
Accruals	4,075	19,574
Salary Costs Owing	187	1,094
	<u>33,245</u>	<u>26,743</u>

9. RESERVES

	General	Off Site Works	Commutated Sums	Total
	£	£	£	£
Brought forward	607,166	20,911	453,852	1,081,929
New sums received in year			-	-
Spent in year	-	0	(8,100)	(8,100)
Interest received		19	608	627
Surplus for year	74,012	-	-	74,012
Carried forward	<u>681,178</u>	<u>20,930</u>	<u>446,360</u>	<u>1,148,468</u>

Annual Governance and Accountability Return (AGAR) – Annual Governance Statement (Pages 12 to 13)

Section 1 – Annual Governance Statement 2021/22

We acknowledge as the members of:

NORTH SOMERSET LEVELS 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 2022, 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.	✓		<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
			<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

*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:

DD/MM/YY

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

Section 2 – Accounting Statements 2021/22 for

NORTH SOMERSET LEVELS INTERNAL DRAINAGE BOARD

	Year ending		Notes and guidance	
	31 March 2021 £	31 March 2022 £		
1. Balances brought forward	992,302	1,042,050	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.	
2. (+) Precept or Rates and Levies	628,464	643,937	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.	
3. (+) Total other receipts	27,990	10,346	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.	
4. (-) Staff costs	193,527	197,849	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.	
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).	
6. (-) All other payments	413,179	390,346	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).	
7. (=) Balances carried forward	1,042,050	1,108,138	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).	
8. Total value of cash and short term investments	1,051,676	1,126,854	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.	
9. Total fixed assets plus long term investments and assets	44,864	30,662	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.	
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).	
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	N/A	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
				N.B. The figures in the accounting statements above do not include any Trust transactions.

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

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

SIGNATURE REQUIRED

Date

DD/MM/YY

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

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

NSLIDB 'Reserve' Status

