

# Section 1 – Accounting statements for

ENT ouse and Derwent

INTERNAL DRAINAGE BOARD

	Year ending		Notes and guidance
	31 March 2010 £	31 March 2011 £	
1 Balances brought forward	276,822	350,481	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2 (+) Rates and special levies	459,416	470,515	Total amount of receipts or income in the year from direct rates on landowners and special levies on local authorities.
3 (+) All other income	256,461	121,247	Total receipts or income as recorded in the cashbook less the rates and special levies (line 2). Include all contributions from EA here.
4 (-) Watercourses and pumping stations	631,253	270,409	Total payments or expenditure including capital spending and employment costs on construction and maintenance of watercourses and pumping stations.
5 (-) Loan interest/ capital repayments	8264	8,334	Total payments or expenditure of capital and interest made during the year on the Board's borrowings (if any).
6 (-) All other payments	202,701	187,058	Total payments or expenditure as recorded in the cashbook less watercourses and pumping stations (line 4) and loan interest/ capital repayments (line 5). Include all contributions to EA here.
7 (=) Balances carried forward	350,481	476,442	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6)
8 Total cash and short term investments	469,096	528,604	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 and long term assets	1,257,715	1,247,673	The recorded book value at 31 March of all fixed assets owned by the Board and any other long term assets e.g. loans to third parties and any long-term investments.
10 Total borrowings	8,334	—	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2011 the accounting statements in this annual return present fairly the financial position of the Board and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

**CONFIDENTIAL**

Date 19/5/11

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

21/06/2011

and recorded as Board minute reference:

ACCOUNTS 2010-2011

Signed by Chair of meeting approving these accounting statements:

**CONFIDENTIAL**

Date 21/06/2011

## Section 2 – Annual governance statement

We acknowledge as the members of Cuse and Derwent INTERNAL DRAINAGE BOARD our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2011, that:

	Agreed – Yes or No*	'Yes' means that the board:
1 We have approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	Yes	prepared its accounting statements in the way prescribed by law.
2 We have 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 have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the board to conduct its business or on its finances.	Yes	has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4 We have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	Yes	during the year has given all persons interested the opportunity to inspect and ask questions about the board's accounts.
5 We have carried out an assessment of the risks facing the board and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes	considered the financial and other risks it faces and has dealt with them properly.
6 We have maintained throughout the year an adequate and effective system of internal audit of the board's accounting records and control systems.	Yes	arranged for a competent person, independent of the board's financial controls and procedures, to give an objective view on whether internal controls meet the needs of the board.
7 We have taken 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 have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the board and where appropriate have included them in the 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

ACCOUNTS 2010-2011

dated 21/06/2011

Signed on behalf of

CUSE & DERWENT I.D.B.

Signed by:

Chair CONFIDENTIAL

dated 21/06/2011

Signed by:

Clerk CONFIDENTIAL

dated 21/06/2011

\*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response that has been given; and describe what action is being taken to address the weaknesses identified.

## Section 3 – External auditor’s certificate and opinion

### Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2011 of

**ENT** Cuse and Derwent INTERNAL DRAINAGE BOARD

### Respective responsibilities of the board and the auditor

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

- summarises the board accounting records for the year ended 31 March 2011; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

### External auditor’s report

Except for the matters reported below on the basis of our review, in our opinion the information contained in the annual return is in accordance with the Audit Commission's requirements and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

1. The Board must ensure that it complies fully with the requirements of the Accounts and Audit (England) Regulations 2011, concerning the proper exercise of Electors' Rights - refer to guidance notes sent with the Annual Return. The date of the announcement must be 14 days prior to the inspection period.

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

1. Although no longer a statutory requirement, it remains good practice for the effectiveness of the system of internal audit to be reviewed each year, as part of the wider annual review of the system of internal control. Please refer to the Practitioners' Guide.

External auditor's signature:

**CONFIDENTIAL**

External auditor's name:

**CONFIDENTIAL**

5 2BE

Date:

17 AUGUST 2011

**Note:** The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

## Section 4 – Annual internal audit report to

Ouse and Derwent

INTERNAL DRAINAGE BOARD

The board's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2011.

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

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

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

Name of person who carried out the internal audit: **CONFIDENTIAL** (1121) ACCOUNTANTS

Signature of person who carried out the internal audit: **CONFIDENTIAL** Date: 20 05 2011

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

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