

**TO THE RESIDENTS OF BRIDGE –
THE PARISH COUNCIL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

Many of you will know that I have been a resident of Bridge since 1962 in which year I qualified as a Chartered Accountant and practised in East Kent as a partner in Reeves & Neylan then as a partner in and finally consultant to Chavereys until retiring in 2013.

I always tried to make my clients' accounts meaningful and understandable and have been so incensed by the format of the **mandatory** Accounting Statement in the Annual Governance and Accountability Return (AGAR) for local councils that I have from time to time prepared my own version of the Bridge Parish Council Accounts. I find it ludicrous that the format for this AGAR which is available on the Council's website requires the Clerk to sign that the Statements 'have been prepared on **either** a receipts and payments **or** income and expenditure basis' without saying which basis has been used. In fact the very few figures required on the Return are on a Receipts and Payments basis rather than the far more informative Income and Expenditure basis. The certificate is thus about equivalent to saying 'we either made a profit or a loss depending which accounting method we are using and we are not required to state which.'

Between 1998 and 2006 I produced my 'unofficial but better understandable' version of the BPC accounts and was invited to present these at the AGMs until I was told that the Chairman no longer wanted me to do it. So I left it until in 2018 I saw the substantial amount of cash that the Council was holding. With the help of the Clerks I produced my 'unofficial' version of the accounts for the years ending 31.3.2018, 2019 and now 2020. Although in my opinion there is absolutely no question of any misfeasances or misappropriations, there were a number of items which I believe should have been picked up by the Internal and/or External Auditor, and the Clerk is at present reclaiming a not immaterial amount of some £1,225 of VAT that has been omitted from claim over the past 3 years.

You will note that my accounts at the bottom show the earmarked items which the Council has to advise as reasons for holding such a high cash balance, though these are in no way 'set in stone'. The £50,000 is likely to be only a fraction of that required to build a new Village Hall if the Cantley proposals are in due course accepted. That leaves an amount not so earmarked which you can deem a Contingency or General Reserve. On their Cash basis the Council's account shows this figure as £10,317 whereas my account shows only £1,105 as it allows for Grants received due to be repaid or for work not carried out or items bought by 31.3.20. I am here just giving an example of how the two methods of accounting give different answers.

The current Clerk has been very helpful in answering the necessary queries for me to produce these unofficial accounts. I hope she will afford the time to assist me to continue in so doing which should take far less time in future if (as I will have access to the invoices etc which happened not to be possible this year. This is my (and your) money that the Council is spending and I wish to be sure that I know where it is going in detail and that if necessary I can put right any matters on which the auditors seem unable to comment or correct.

I should be grateful if you would email me at platformtickets@aol.com if you find these accounts interesting and helpful and say if you would like to see accounts in this format annually as a backup to the highly uninformative mandatory AGAR.

Michael Stewart FCA
30 September 2020