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## ACCOUNTANT'S REPORT ON THE ACCOUNTS OF THE LONGMEAD MANAGEMENT GROUP (LMG) FOR THE PERIOD TO 31 MARCH 2020

I have examined the income and expenditure during the period and vouched such income and expenditure to bank statements and other supporting documentation, where available. I have also relied on assurances from Ian McCulloch (JMC) that all income and sources of income have been accounted for, as there are no independent means for the reporting accountant to verify if this is not the case for the current year.

It should be noted that these accounts include only expenditure where LMG is directly responsible for providing the funds to cover such expenditure.

During the course of my review I noted the following:

- Income recorded for the year was just £3,868 compared to £8,570 the previous year, with contributions from the Tennis Club and the Senior Football Clubs remaining unchanged from the previous year, whereas there was no contribution from the Youth Football Club this year. The grant from Hemyock Parish Council (HPC) has not continued (there was residual income from them of £2,944 the previous year). There was a receipt at the start of the period from HPC for £75, which related to use of the Pavillion in the previous year and had been recorded as £120 owing at the previous year end;
- On a positive note, income from renting out the football pitches increased to £705 (2018/19 - £550);
- Income recording – supporting evidence for income has remained “patchy” for fees paid for the use of facilities, particularly those used on an irregular basis. One method for improving records would be for the Committee to use a common diary for bookings of the MUGA or when the football pitches are booked and used by non-Hemyock clubs. This would make it possible to check that all relevant fees have been actually paid and any oversights chased up;
- On the expenditure side of the I&E statement, there was a substantial decrease in expenses from the previous year - £7,069 compared with £8,697 in the year to 31 March 2019, mainly as a result of less expenditure on all types of repairs;
- As will be clear from the Income & Expenditure statement, the overall result for the year is a large deficit of £3,195, compared with a deficit last year of just £127. As noted last year, although LMG's financial position remains relatively strong with the overall surplus to carry forward at £6,928, this is likely to continue to deteriorate in future years unless income can be increased and/or expenses decreased to the order of about £3,000 per year. The pandemic of 2020 has certainly not helped in resolving this issue.
- *Explanation of Balance Sheet items:*
  1. Prepayments totalling £195 are made up of Insurance (£31.64), TV license (£128.75) and a slightly reduced credit on the water account (£34.36).
  2. Accruals (£271) relate to estimated electricity usage for the period from 13 March to 31 March 2020 (i.e. the period from the date of the last EDF bill to the end of the financial year)



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- of £39.62, cleaning for the last month of the year (£40) and book-keeping fees of £191.75.
3. Accountant (£310). It should be noted that these fees are charged at a concessionary rate for a non-profit organisation, and are equivalent to a discount of substantially more than 50% over “commercial rates”;
  4. Debtor (£351) – these relate to two old items - a double-payment of the TV license (£147) from the year ended 31 March 2017, which remains outstanding to be repaid, and £204 to be repaid by The Garages in respect of a notice board paid for from the wrong account. Both items occurred due to a mix-up when David Major (DM) was Treasurer of both LMG and The Garages, such that the items were paid from the wrong bank accounts by mistake. Unfortunately, DM was my only contact at The Garages and so I am not aware of their current financial situation, although I am fairly certain that they should at least be aware of the debt in respect of the notice board. I would suggest that LMG should try and resolve this with The Garages in the current year and any amounts not recovered should be written off in the year to 31 March 2021.

Subject to the above comments, I am satisfied that the Income & Expenditure account and Balance Sheet correctly reflect the deficit of income over expenditure for the period and state of affairs as at 31 March 2020.

Nicolas Gerra FCA  
15 December 2020