

# COBTREE MANOR ESTATE CHARITY COMMITTEE MEETING

Date: Wednesday 24 January 2024  
Time: 5.30 pm  
Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Burton (Chairman), Cooper, Parfitt-Reid (Vice-Chairman) and Perry

*The Chairman will assume that all Members will read the reports before attending the meeting. Officers are asked to assume the same when introducing reports.*

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<b><u>AGENDA</u></b>	<b><u>Page No.</u></b>
1. Apologies for Absence	
2. Urgent Items	
3. Notification of Visiting Members	
4. Disclosures by Members and Officers	
5. Disclosures of Lobbying	
6. To consider whether any items should be taken in private because of the possible disclosure of exempt information.	
7. Minutes of the meeting held on 22 November 2023	1 - 3
8. Presentation of Petitions (if any)	
9. Question and Answer Session for Members of the Public (if any)	
10. Questions from Members to the Chairman (if any)	
11. Cobtree Manor Estate Annual Accounts 2022/23	4 - 59
12. Cobtree Manor Estate Financial Position Report	60 - 70

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**Issued on Tuesday 16 January 2024**

**Continued Over/:**

*Alison Broom*

**Alison Broom, Chief Executive**

## **INFORMATION FOR THE PUBLIC**

In order to ask a question at this meeting, please call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk) by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Monday 22 January 2024). You will need to provide the full text in writing.

If your question is accepted, you will be provided with instructions as to how you can access the meeting.

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk) by 4 p.m. one clear working day before the meeting (i.e. by 4 p.m. on Monday 22 January 2024). You will need to tell us which agenda item you wish to speak on.

If you require this information in an alternative format please contact us, call **01622 602899** or email [committee@maidstone.gov.uk](mailto:committee@maidstone.gov.uk).

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## MAIDSTONE BOROUGH COUNCIL

### COBTREE MANOR ESTATE CHARITY COMMITTEE

#### MINUTES OF THE MEETING HELD ON 22 NOVEMBER 2023

##### Present:

<b>Committee Members:</b>	<b>Councillor Burton (Chairman) and Councillors Cooper and Parfitt-Reid</b>
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16. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Perry.

17. URGENT ITEMS

There were no urgent items.

18. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members, although Councillors Garten and Russell attended the meeting as observers.

19. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

20. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

21. EXEMPT ITEMS

**RESOLVED:** That the items on the agenda be taken in public as proposed.

22. MINUTES OF THE MEETING HELD ON 26 JULY 2023

**RESOLVED:** That the Minutes of the meeting held on 26 July 2023 be approved as a correct record and signed.

23. PRESENTATION OF PETITIONS

There were no petitions.

24. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

25. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

26. COBTREE ESTATE UPDATE

The Leisure Contracts Manager introduced his report providing an update on activities at the Cobtree Manor Estate and highlighted trends in visitor numbers to the Manor Park (a decrease back to pre-pandemic levels) and Kent Life (an increase on 2022 despite poor weather in July), the progress being made by the new café operator with the internal refurbishment works, events taking place at Kent Life, and the position regarding the future use of the Elephant House.

The Leisure Contracts Manager advised the Committee that since publication of the agenda, the sad news had been received that Ed Richardson, the Chief Executive of Get Golfing, the new golf course operator, had died suddenly. The Chairman asked the Leisure Contracts Manager to convey the Committee's condolences to Mr Richardson's family and friends.

**RESOLVED:** That the update on activities at the Cobtree Manor Estate be noted.

27. COBTREE MANOR ESTATE FINANCIAL POSITION REPORT

The Senior Finance Manager (Client) introduced his report summarising the financial position of the Cobtree Manor Estate as at 31 October 2023. The report covered activities at the golf course, Kent Life, the Manor Park and the residential properties.

The Senior Finance Manager (Client) advised the Committee that:

The outturn position as at 31 October 2023 showed a surplus of £20,239 on operational activities, which was £10,496 more than budgeted for. There were no significant issues to report, but the following points should be noted:

- Golf course income was slightly down on the profiled budget, but the budget was set prior to the new contract being awarded, so the figure would be adjusted to reflect the new contract when the updated budgets were reported to the Committee in January 2024.
- Most of the gas and electricity costs for the café would be recharged to the operator, but the Estate would retain the charges for the toilets and the staff area. Once the exercise to calculate the recharges had been completed, invoices would be raised, and this should largely eliminate the overspend in this area.
- No invoices had been raised for toilet cleaning to date. Standards were under review and when they were more acceptable, invoices would be raised which would largely eliminate the underspend on this budget.
- The shortfall in car parking income reflected the reduction in visitor numbers compared to 2022. This budget would be reviewed to see if it should be reduced as it was set when visitor numbers were higher during the pandemic.
- The income budget for the café would also need to be reviewed as the contract had been re-let since the budgets were agreed.

In response to a question, the Senior Finance Manager (Client) confirmed that the shortfall in car parking income reflected the reduction in visitor numbers, but car parking income was still at a healthy level.

**RESOLVED:** That the financial position of the Cobtree Manor Estate as at 31 October 2023 be noted.

28. DURATION OF MEETING

12.30 p.m. to 12.39 p.m.

# Agenda Item 11

## Cobtree Manor Estate Committee

24 January 2024

### Accounts 2022/23

<b>Final Decision-Maker</b>	Cobtree Manor Estate Committee
<b>Lead Head of Service</b>	Director of Finance, Resources & Business Improvement – Mark Green
<b>Lead Officer and Report Author</b>	Paul Holland, Senior Finance Manager (Client)
<b>Classification</b>	Public
<b>Wards affected</b>	Boxley

#### Executive Summary

The audit of the Trust accounts for 2022/23 has now been completed and an unmodified audit opinion will be issued. This report summarises the main points from the accounts and seeks approval of them so they may be submitted to the Charity Commission.

#### Purpose of Report

To formally approve the Trust accounts for 2022/23.

#### This report makes the following recommendations to this Committee:

1. That the Report and Financial Statement for 2022/23 are approved and submitted to the Charity Commission.
2. That the Letter of Representation be approved.
3. That the contents of the Audit Findings Report be noted.

#### Timetable

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Committee	24 January 2024

# Accounts 2022/23

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	The operation of the Estate directly supports the objects of the Trust as set out when the Council became the Corporate Trustee	Senior Finance Manager (Client)
<b>Cross Cutting Objectives</b>	The operation of the Estate supports the Council's strategic objective to ensure there are good leisure and cultural attractions in the Borough.	Senior Finance Manager (Client)
<b>Risk Management</b>	There is a potential reputational risk if the annual accounts are not prepared correctly and in accordance with recommended best practice.	Senior Finance Manager (Client)
<b>Financial</b>	There is a financial risk to the Trust if the operations cost more than predicted or fail to generate sufficient income to cover the costs of running them estate.	Senior Finance Manager (Client)
<b>Staffing</b>	There are no additional implications arising from this report.	Senior Finance Manager (Client)
<b>Legal</b>	<p>Under the Council's Constitution the Committee as Corporate Trustee is responsible for all matters relating to the Charity with the exception of daily management.</p> <p>Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. There is then a requirement to have the statements audited externally and submitted to the Charity Commission.</p> <p>There are no further implications arising from this report.</p>	Senior Finance Manager (Client)
<b>Privacy and Data Protection</b>	There are no new privacy or data protection implications as a result of this report and recommendations.	Senior Finance Manager (Client)

<b>Equalities</b>	There is no impact on Equalities as a result of the recommendations in this report. An EqIA would be carried out as part of a policy or service change should one be identified.	Equalities & Communities Officer
<b>Public Health</b>	There are no additional implications arising from this report.	Public Health Officer
<b>Crime and Disorder</b>	There are no additional implications arising from this report.	Senior Finance Manager (Client)
<b>Procurement</b>	There are no additional implications arising from this report.	Senior Finance Manager (Client)
<b>Biodiversity &amp; Climate Change</b>	The implications of this report on biodiversity and climate change have been considered and there are no implications on biodiversity and climate change.	Biodiversity and Climate Change Manager

## 2. INTRODUCTION AND BACKGROUND

2.1 The audit of the Report and Financial Statements is now substantially complete. The audit was undertaken by UHY Hacker Young, appointed external auditors to the Trust. Issues arising from the audit are dealt with in the next section of this report.

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## 3. ACCOUNTS 2022/2023

3.1 The Annual Report and Financial Statements are shown at **Appendix 1**. This includes the independent auditor's report, which includes their opinion on the Statement.

3.2 A number of amendments were made to the draft accounts that were submitted for audit, and there were also a small number of unadjusted misstatements. Details of both are shown as part of the Audit Findings Report, which is discussed later in this report. None of these should have had any impact upon the financial resources available to the Trust.

3.3 At the time of writing this report one issue remains outstanding. The valuation for Garden Cottage is being reviewed as the valuer may have not had the most up to date information when he initially valued it. A verbal update on this and any changes to the figures in the accounts will be given to the Committee at the meeting, but as this is only an accounting entry it does not have any impact upon the financial resources available to the Trust.

3.4 There are a number of points that should be noted within the Financial Statements:

- The total funds of the Trust as shown on the Balance Sheet have reduced from £4.58m to £4.27m, with the Statement of Financial Activities (SOFA) showing a net funds decrease of £310,174 for the year.
- The main reason for the reduction in the value of the funds is the revaluation of the golf course and the residential properties. The reduction of the golf course reflects the reduced level of rent due under the terms of the new contract. The reduction in the value of Garden Cottage reflects the fact that it is now being let to Maidstone Property Holdings Ltd for a 25-year period rather than being let out on the same basis as the Stream Cottages properties. (As referenced earlier this valuation is subject to change)
- There was also a reduction of £54,117 in the value of the Charifund investment compared to 31<sup>st</sup> March 2022.
- As mentioned earlier this means the value of funds held by the Trust have reduced from £4.58m to £4.27m. As the majority of this reduction is a consequence of asset revaluations this means there has been no change in the resources available to the Trust going forward.
- There were also two adjustments made as a result of the audit. Firstly, an invoice to the value of £12,727 has been written off as it was established that this was a duplicate, and the original had been paid. Secondly there was an irrecoverable VAT balance of £18,099 that has also been written-off. This has arisen due to the way VAT has to be accounted for in relation to the activities on the Estate, which means that not all the VAT due is recoverable.

3.5 **Appendix 2** is the Letter of Representation for 2022/23. This asks Trustees to confirm a number of statements relating to the audit and the information supplied to the auditors during the course of their audit.

3.6 The Audit Findings Report (**Appendix 3**) sets out the accounting adjustments that were agreed with the auditors after the draft accounts were submitted to them.

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## 4. **AUDIT FINDINGS REPORT**

4.1 The Audit Findings Report is attached at **Appendix 3**. The purpose of this report is to bring to the attention of the Committee various matters that have arisen from the external audit.

4.2 The audit is substantially complete, and it is anticipated that an unmodified audit report will be issued.

- 4.3 The report also covers significant audit risks and other areas of focus and sets out some details regarding accounting practices and financial reporting issues.
  - 4.4 The report summarises the accounting adjustments that were agreed following the audit of the accounts, which were referenced earlier in the section on the accounts earlier in this report.
  - 4.5 There are no new recommendations for processes and internal controls, and the report confirms that the recommendation relating to the issues identified during the 2021/22 accounts closedown have now been resolved.
  - 4.6 The final section covers developments in the charity accounting sector.
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## **5. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 5.1 That the Committee approves the Report and Financial Statements in order that they can then be submitted to the Charity Commission by 31<sup>st</sup> January 2024.
  - 5.2 There are no other available options as there is a legal requirement to produce and approve the Report and Financial Statements.
  - 5.3 That the Letter of Representation is approved as this is a requirement of the external audit process.
  - 5.4 That the contents of the Audit Findings Report are noted.
  - 5.5 There are no alternative actions. The Audit Findings Report is written for the benefit of those charged with governance to bring to their attention matters of interest that have arisen during the external audit process, therefore it needs to be considered by the Committee.
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## **6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 6.1 The Report and Financial Statements will be submitted to the Charity Commission for publication on their website.
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## **7. REPORT APPENDICES**

- Appendix 1 – Report and Financial Statements 2022/23
- Appendix 2 – Letter of Representation
- Appendix 3 – Audit Findings Report

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**8. BACKGROUND PAPERS**

None.

**Cobtree Manor Estate**

**Trustee's Report and Financial Statements**

**For the Year Ended 31 March 2023**

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**Cobtree Manor Estate**

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**Cobtree Manor Estate**

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**Reference and Administrative Details of the Charity, its Trustees and Advisers  
For the Year Ended 31 March 2023**

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<b>Trustee</b>	Maidstone Borough Council  There are no individual trustees. All elected members of the Maidstone Borough Council perform duties of trustees but are not trustees in their own right. A full list of members is available on request.
<b>Charity registered number</b>	283617
<b>Principal office</b>	Maidstone Borough Council Maidstone House King Street Maidstone Kent ME15 6JQ
<b>Independent auditors</b>	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants Statutory Auditors Thames House, Roman Square Sittingbourne Kent ME10 4BJ
<b>Bankers</b>	All funds are managed by Maidstone Borough Council at: Lloyds Bank plc, City Office Bailey Drive Gillingham Kent ME5 0LS
<b>Solicitors</b>	Head of Legal Partnership Mid-Kent Legal Services Maidstone Borough Council Maidstone House Maidstone Kent ME15 6JQ

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## Cobtree Manor Estate

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### Trustee's Report

#### For the Year Ended 31 March 2023

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The Maidstone Borough Council acting as Corporate Trustee to the registered Charity known as "Cobtree Manor Estate" presents its annual report in relation to the financial year ending 31 March 2023.

#### Trustees

The trustee who served during the year is shown on the information page.

### OBJECTIVES AND ACTIVITIES

#### Governing Object

The governing object of the Charity remains that defined in the lease of the Cobtree Estate dated 13 July 1971 between the Cobtree Charity Trust Limited (the lessor) and the Maidstone Borough Council (the lessee). The governing object is stated as:

"To hold Cobtree Manor and Cobtree Manor Estate for the benefit of the inhabitants of Maidstone and other members of the general public in one or other or all of the following ways:

- i) By maintaining the Cobtree Manor Estate as an open space as defined by the Open Spaces Act 1906 and if the lessees think fit providing thereat facilities for organised games and other sports".
- ii) With the consent of ...[the Cobtree Charity Trust Limited and the Kent County Council]... in such other way for the benefit of the inhabitants of Maidstone and other members of the general public as the Council shall from time to time think appropriate."

#### Object of the Charity

The late Sir Garrard Tyrwhitt-Drake bequeathed his former estate to the Cobtree Charity Trust Limited and set down in the codicils to his Will requirements for its future use. In seeking to interpret these, sometimes conflicting, codicils the Maidstone Borough Council and Cobtree Charity Trust Limited agreed that the Estate in its entirety, and the intended charitable objects, should be leased to and governed by, the Maidstone Borough Council.

The Maidstone Borough Council, as Corporate Trustee to the Charity, has determined and regularly reviews a series of policies to guide the actions of its Members and employees in fulfilling the governing object of the Charity.

Members of the Cobtree Manor Estate Charity Committee manage all aspects of the Charity on behalf of the Council. Informal liaison continues with the Trustees to the Cobtree Charity Trust Limited, particularly with regard to considering potential developments. Members of the Cobtree Charity Trust Limited are invited to attend the meetings of the Cobtree Manor Estate Charity Committee.

### ACHIEVEMENTS AND PERFORMANCE

#### Organisation of the Charity

The Trustee to the Registered Charity known as the Cobtree Manor Estate remains the Corporate Body of the Maidstone Borough Council. How the functions of the Corporate Trustee are implemented is reiterated in the section above.

All individual elected Members to the Maidstone Borough Council are instructed to perform any duties and responsibilities they have in relation to the charity as though they were acting as individual trustees; albeit that they are not individual trustees in Charity Law. All elected Members and Officers of the Council are reminded of the Council's obligations to the Charity and how these need to be considered quite separately from the normal duties of the Council acting as the Local Authority. An A to Z "aid memoir" is made available to all Members and Officers via the Council's internal intranet site.

Under the terms of the lease upon which the Charity holds the Cobtree Manor Estate, and in the specified circumstances, the Council continues to liaise with both the freehold owner of the Estate, the Cobtree Charity Trust Limited, and the Kent County Council.

#### Advice to Trustees

The advice for trustees published by the Charity Commission is given to new members of the charity committee and new guidance is notified and made available to them as it is received from the Commission. Committee members have free access to all members of staff to ensure that they can be fully aware of the special considerations, activities and implications of, and for, the charity.

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## Cobtree Manor Estate

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### Trustee's Report

#### For the Year Ended 31 March 2023

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#### Activities

The following paragraphs are included to demonstrate how the Charity is meeting its obligation to provide a public benefit. The primary activities of the Charity are to manage and maintain three facilities to which the general public have access:

- the Cobtree Manor Park – which is a parkland environment with woodland and meadows containing a wide variety of trees and shrubs and which is freely accessible to the general public, and
- the Cobtree Manor Park Golf Course - which is a pay and play facility accessible to all, and
- Kent Life – a farm heritage attraction, including a collection of historic artefacts, which is open to the public either on a pay on entry or through an annual membership fee.

#### Cobtree Golf Course

The number of rounds played at the Cobtree Golf course over the past ten years has been as follows:

Year	Rounds Played
2013/2014	36,923
2014/2015	37,482
2015/2016	39,927
2016/2017	40,593
2017/2018	35,972
2018/2019	36,808
2019/2020	26,006
2020/2021	27,281
2021/2022	38,500
2022/2023	30,430

Rounds played in 2022/2023 of 30,430 was therefore a significant (21%) drop from the 2021/2022 levels. Numbers were behind the 2021/2022 rates through the whole year, and then the very wet weather in February and March 2023, which caused the course to close for a number of days, resulted in the annual number of rounds to fall even further below the previous year total.

Despite sound day-to-day management of the venue, the operator at Cobtree Golf Course was unable to meet its long-term commitments with capital investment and projected rents. The Charity had to take steps to terminate the contract with this operator and advertise for a new one. That exercise has been completed and a new operator will be taking over operation of the site from October 2023. The new operator has a good track record and will bring certainty and sustainable operations to the golf course for the next 20 years.

#### Cobtree Manor Park

The park was awarded a Green Flag Award for 2022/2023.

Park visitor numbers have reduced for the second year in a row following the peak visitor numbers that were seen in 2020/2021 during the height of the Covid-19 pandemic. Despite this, the park continues to be very popular with residents and families.

Car park income totalled £108,832 for 2022/2023 Financial Year which was 19% down on 2021/2022. The 2021/2022 total was itself 15% down on 2020/2021, although 2020/2021 was a record year for car park sales.

The amalgamation of staff at Cobtree Manor Park with the parks and open spaces department at the council continues to be a real success. The park benefits from being part of a collective of parks with a management department behind it. Management is more resilient, and the department ensures its collective skills and experiences are deployed at Cobtree.

Outdoor theatre returned in the summer of 2022, delivered by partners at the Hazlitt Theatre. The performances of Robin Hood drew audiences of more than 250 each evening. Ticket prices were set at affordable family rates to enable theatre to be brought to new audiences. The Hazlitt team are returning in the summer of 2023 to deliver family outdoor theatre once again.

The Cobtree Manor Park Café has a new tenant operator, who began trading from the café in April 2023. This transition falls slightly outside the reporting period, but it is of significance. The new operator is trading well and brings sustainable rents to the Cobtree Charity.

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## Cobtree Manor Estate

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### Trustee's Report

#### For the Year Ended 31 March 2023

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#### Kent Life

Kent Life's post-Covid recovery was solidified in 2022/2023 with a full return to visitor numbers and educational numbers.

There have been some staff changes on site, which is consistent with the leisure and hospitality sector. New staff and managers to the site continue to deliver the events schedule and daily visitor experience. Kent Life was successful in receiving Government funding in 2022 to install a changing places toilet, specifically designed to cater for visitors of all needs. This will enable more school visits for pupils with special educational needs and make sure the venue is even more accessible to its members and day visitors.

#### Additional Volunteer Help and Intangible Income

Cobtree Manor Park has hosted some corporate volunteering days for local companies and some volunteer days organised by our partners the Medway Valley Countryside Partnership.

#### Review of Public Benefit

The Trustee continues to consider and ensure that the Charity meets its requirement to comply with the test of public benefit. The Cobtree Manor Park remains freely accessible to the general public and the pay and play golf course is accessible to all those who wish to take advantage of its facilities at reasonable cost, whilst Kent Life provides a varied family day out for a reasonable fee.

#### Related Party Disclosure

The Maidstone Borough Council is the Corporate Trustee of the Charity. In addition the Council itself owns part of the land upon which the Cobtree Manor Park Golf Course is built. The accounting arrangements between the Council and the Charity are that the Council is responsible for all receipts and payments for both the golf course and the Cobtree Manor Park. At the end of each financial year the total net operating surplus or deficit of the Manor Park is transferred to the Charity accounts. For the golf course 7/9ths of the total net operating surplus or deficit is transferred to the Charity accounts, reflecting the split of land ownership. The remaining 2/9ths are shown in the accounts of the Council.

The Council also employs a Manager who jointly manages Mote Park and the Manor Park. A park ranger employed by the council is assigned to the Manor Park also. These posts exist as part of a service level agreement for parks and open spaces management of Cobtree Manor Park, the total cost of which is shown in the Charity accounts under the arrangements specified above. When required, additional labour for covering ranger holiday and some weekends in the summer season is also paid for by the Charity.

Other officers of the Council are engaged from time to time in duties specifically related to the operation and management of the Estate. They are not part of the aforementioned service level agreement, and their time and associated costs are apportioned accordingly to the Cobtree accounts.

## FINANCIAL REVIEW

### Financial Review and Investment Policy

Total income for the year amounted to £476k, a slight drop on total income of £463k in the previous year.

Within the total, income from charitable activities fell £37k compared to 2021/22, mainly due to the decline in car park income as explained on page 3.

Charitable costs also fell, reducing from £484k in the previous year to £458k in 2022/23.

Before gains reported on investments this meant the result for the year was a surplus of £19k (2022: £9k). The £54k loss gain on investments (2022: gain of £60k) brings net expenditure for the year per the SoFA to £35k (2022: net income of £69k). The gain on investments represents the movement in the year on the charity's listed investment securities, as shown in note 14. The final movement in funds for the year relates to fixed asset revaluations. The carrying value of the fixed assets has been decreased by £275k to reflect the latest valuations. The overall movement in funds was therefore a reduction of £310k (2022: increase of £142k).

The net surplus generated as per the Statement of Financial Accounts continued to be used to complete the repayment of debt due to the Maidstone Borough Council.

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## **Cobtree Manor Estate**

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### **Trustee's Report**

#### **For the Year Ended 31 March 2023**

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Interest due to the Charity in respect of the permanent endowment held on the Charity's behalf by the Borough Council is included as part of the unrestricted income.

The Balance sheet shows net assets at 31 March 2023 of £4.27m, down from £4.58m at the end of the prior year. Much of this value is related to the charity's tangible fixed assets and other investments held in endowment funds, which comprise £3.81m of the total. The remaining funds sit as unrestricted free reserves of £445k and restricted funds of £20k..

#### **Reserves Policy**

Restricted reserves are maintained in respect of the permanent endowment funds.

#### **Risk Management**

The Trustee continues to review the business and operational risks which the Charity faces, and identifies where appropriate steps to minimise the impact of any identified risks. All contractors working on the Estate are also required to undertake risk assessments appropriate to their activities.

#### **PLANS FOR FUTURE PERIODS**

The Trustee has now implemented the master plan for the Cobtree Manor Park and has used reserve funds for its implementation, with the permission of the Charity Commission, which will gradually be re-paid. In future a master plan for the estate as a whole will need to be devised.

#### **TRUSTEE'S RESPONSIBILITIES**

The Trustee is responsible for preparing the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing these statements the Trustee is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern unless it is inappropriate to presume that the Charity will continue in business.

The Trustee has overall responsibility for ensuring that the Charity has appropriate systems of controls, financial and otherwise. It is also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustee and signed on its behalf by

**Councillor David Burton**  
**Chairman of the Cobtree Manor Estate Charity Committee**

Date:

**Independent Auditors' Report to the Members of Cobtree Manor Estate**

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**Opinion**

We have audited the financial statements of Cobtree Manor Estate (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustee are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Independent Auditors' Report to the Members of Cobtree Manor Estate (continued)**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of the trustee**

As explained more fully in the Trustee's Responsibilities Statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**How the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the charity and not-for-profit sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

**Independent Auditors' Report to the Members of Cobtree Manor Estate (continued)**

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. As a result there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the charity's Trustee in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustee, for our audit work, for this report, or for the opinions we have formed.

**UHY Kent LLP**  
Chartered Accountants  
Statutory Auditors  
Thames House, Roman Square  
Sittingbourne  
Kent  
ME10 4BJ

Date:

UHY Kent LLP t/a UHY Hacker Young are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Cobtree Manor Estate

Statement of financial activities  
For the Year Ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	3	-	30,000	-	30,000	34,596
Charitable activities	4	335,884	-	-	335,884	373,420
Other trading activities	5	63,763	-	-	63,763	43,331
Investments	6	46,808	-	-	46,808	42,236
<b>Total income and endowments</b>		<b>446,455</b>	<b>30,000</b>	<b>-</b>	<b>476,455</b>	<b>493,583</b>
<b>Expenditure on:</b>						
Charitable activities	7	300,195	80,771	76,547	457,513	484,385
<b>Total expenditure</b>		<b>300,195</b>	<b>80,771</b>	<b>76,547</b>	<b>457,513</b>	<b>484,385</b>
<b>Net income/(expenditure) before net (losses)/gains on investments</b>		<b>146,260</b>	<b>(50,771)</b>	<b>(76,547)</b>	<b>18,942</b>	<b>9,198</b>
Net (losses)/gains on investments	14	-	-	(54,117)	(54,117)	60,150
<b>Net income/(expenditure)</b>		<b>146,260</b>	<b>(50,771)</b>	<b>(130,664)</b>	<b>(35,175)</b>	<b>69,348</b>
Transfers between funds	19	(139,294)	139,294	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>6,966</b>	<b>88,523</b>	<b>(130,664)</b>	<b>(35,175)</b>	<b>69,348</b>
<b>Other recognised gains/(losses):</b>						
(Losses)/gains on revaluation of fixed assets	12,13	-	-	(274,999)	(274,999)	73,142
<b>Net movement in funds</b>		<b>6,966</b>	<b>88,523</b>	<b>(405,663)</b>	<b>(310,174)</b>	<b>142,490</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		438,410	(68,924)	4,211,650	4,581,136	4,438,646
Net movement in funds		6,966	88,523	(405,663)	(310,174)	142,490
<b>Total funds carried forward</b>	19	<b>445,376</b>	<b>19,599</b>	<b>3,805,987</b>	<b>4,270,962</b>	<b>4,581,136</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 25 form part of these financial statements.

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**Cobtree Manor Estate**

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**Balance Sheet**  
**As at 31 March 2023**

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	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	2,176,722	2,439,443
Investments	14	831,426	885,543
Investment property	13	967,500	1,102,500
		<u>3,975,648</u>	<u>4,427,486</u>
<b>Current assets</b>			
Debtors	15	253,258	307,842
Cash at bank and in hand		250,755	182,779
		<u>504,013</u>	<u>490,621</u>
Creditors: amounts falling due within one year	16	(140,172)	(201,939)
<b>Net current assets</b>		<u>363,841</u>	<u>288,682</u>
<b>Total assets less current liabilities</b>		<u>4,339,489</u>	<u>4,716,168</u>
Creditors: amounts falling due after more than one year	17	(68,527)	(135,032)
<b>Total net assets</b>		<u><u>4,270,962</u></u>	<u><u>4,581,136</u></u>
<b>Charity funds</b>			
Endowment funds	19	3,805,987	4,211,650
Restricted funds	19	19,599	(68,924)
Unrestricted funds	19	445,376	438,410
<b>Total funds</b>		<u><u>4,270,962</u></u>	<u><u>4,581,136</u></u>

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:

**Councillor David Burton**  
**Chairman of the Cobtree Manor Estate Charity Committee**

Date:

The notes on pages 11 to 25 form part of these financial statements.

**Notes to the Financial Statements  
For the Year Ended 31 March 2023**

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**1. General information**

Cobtree Manor Estate is an unincorporated charity with the charity number 283617.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (second edition) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Cobtree Manor Estate meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The Trustee assesses whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

The trustee makes this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Looking forward the golf course contract ceased at the end of September 2023, and changes in the market for such contracts means that the Estate is anticipating a drop in the annual rental payments.

**Conclusion**

Prudent revised forecasts have been prepared for the coming year, taking the above into account, and using the assumption that the charity will be able to continue providing services even in the event of any future lockdown periods.

Taking the above into account the Trustee has concluded there are no material uncertainties about the charity's ability to continue as a going concern and that it remains appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**Notes to the Financial Statements  
For the Year Ended 31 March 2023**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Expenditure is shown inclusive of any irrecoverable VAT. Any VAT irrecoverable as a result of partial exemption calculations is shown in note 8.

**2.5 Intangible assets and amortisation**

Material intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on the following basis:

Website development	- 25 % straight line
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**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- 0 - 12.5% on cost
Motor vehicles	- 20% on cost
Fixtures and fittings	- 10% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Long-term leasehold property includes Cobtree Manor Park Golf Course, Kent Life Museum and Cobtree Manor Park Visitor centre. As disclosed in note 13 these are held under a 999 year lease. No depreciation is charged on these assets on the basis that they are revalued annually.

Leasehold property also includes, at cost, improvements at the Cobtree Play Area and to the car park at Cobtree Manor Park. These assets are depreciated over their deemed useful lives.

**Notes to the Financial Statements  
For the Year Ended 31 March 2023**

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**2. Accounting policies (continued)**

**2.7 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at their fair value at the Balance sheet date for investment properties and closing quoted market price for other listed investments.

All gains and losses are taken to the Statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'gains on revaluation of fixed assets' and added to the endowment fund to which they relate.

**2.8 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.9 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Income from donations and legacies**

	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Will Trust income	30,000	30,000	34,596
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Analysis of 2022 total by fund</i>	34,596	34,596	
	<hr/> <hr/>	<hr/> <hr/>	

Notes to the Financial Statements  
For the Year Ended 31 March 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Golf club revenue	135,249	135,249	131,309
Cafe income	20,999	20,999	33,140
Car park income	108,832	108,832	135,371
Kent Life income	70,804	70,804	73,600
	<u>335,884</u>	<u>335,884</u>	<u>373,420</u>
<i>Analysis of 2022 total by fund</i>	<u>373,420</u>	<u>373,420</u>	

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	63,763	63,763	43,331
	<u>43,331</u>	<u>43,331</u>	
<i>Analysis of 2022 total by fund</i>	<u>43,331</u>	<u>43,331</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	46,808	46,808	42,236
	<u>42,236</u>	<u>42,236</u>	
<i>Analysis of 2022 total by fund</i>	<u>42,236</u>	<u>42,236</u>	

Notes to the Financial Statements  
For the Year Ended 31 March 2023

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
Charitable activities	300,195	80,771	76,547	457,513	484,385
<i>Analysis of 2022 total</i>	<i>330,382</i>	<i>77,456</i>	<i>76,547</i>	<i>484,385</i>	

Summary by expenditure type

	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	Total 2022 £
Charitable activities	122,722	334,791	457,513	484,385
<i>Analysis of 2022 total</i>	<i>122,722</i>	<i>361,663</i>	<i>484,385</i>	

8. Analysis of expenditure by activities

	Direct costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	457,513	457,513	484,385
<i>Analysis of 2022 total</i>	<i>484,385</i>	<i>484,385</i>	

Notes to the Financial Statements  
For the Year Ended 31 March 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Depreciation	122,722	122,722
Staff costs	4,486	5,189
Repairs and maintenance	18,665	65,613
Grounds maintenance	5,969	17,595
Rent and rates	1,360	5,238
Heat and light	14,213	15,943
Insurance	13,431	12,758
Cleaning	8,976	7,520
Legal and professional fees	13,600	9,684
Other fees and services	10,991	8,047
Equipment hire and maintenance	4,167	15,627
Bad debt write off	12,736	-
Loan interest	12,113	4,202
Staff recharges	74,615	72,875
Parks and open spaces	121,370	121,372
Irrecoverable VAT	18,099	-
	<u>457,513</u>	<u>484,385</u>

9. Auditors' remuneration

	<b>2023 £</b>	<i>2022 £</i>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<u>6,365</u>	<u>5,585</u>

10. Trustee's remuneration and expenses

During the year, the Trustee did not receive any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

Notes to the Financial Statements  
For the Year Ended 31 March 2023

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11. Intangible assets

	Website development £
<b>Cost</b>	
At 1 April 2022	50,000
At 31 March 2023	<u>50,000</u>
<b>Amortisation</b>	
At 1 April 2022	50,000
At 31 March 2023	<u>50,000</u>
<b>Net book value</b>	
At 31 March 2023	<u>-</u>
<i>At 31 March 2022</i>	<u>-</u>

Notes to the Financial Statements  
For the Year Ended 31 March 2023

12. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2022	2,762,511	8,323	58,523	2,829,357
Revaluations	(139,999)	-	-	(139,999)
At 31 March 2023	<u>2,622,512</u>	<u>8,323</u>	<u>58,523</u>	<u>2,689,358</u>
<b>Depreciation</b>				
At 1 April 2022	345,615	3,328	40,971	389,914
Charge for the year	115,205	1,664	5,853	122,722
At 31 March 2023	<u>460,820</u>	<u>4,992</u>	<u>46,824</u>	<u>512,636</u>
<b>Net book value</b>				
At 31 March 2023	<u><u>2,161,692</u></u>	<u><u>3,331</u></u>	<u><u>11,699</u></u>	<u><u>2,176,722</u></u>
<i>At 31 March 2022</i>	<u><u>2,416,896</u></u>	<u><u>4,995</u></u>	<u><u>17,552</u></u>	<u><u>2,439,443</u></u>

The estate is held under a 999 year lease which is due to expire in 2970. The long leasehold land and buildings are used solely for direct charitable purposes and form part of the permanent endowment of the Charity.

All properties are revalued annually by a professional firm of chartered surveyors periodically, using a 'market approach'. The last valuation took place in March 2022.

The carrying amount under the cost model of the assets which have been revalued would have been £1,673,127 (2022 - £1,673,127).

**Notes to the Financial Statements  
For the Year Ended 31 March 2023**

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**13. Investment property**

	<b>Long term leasehold investment property £</b>
<b>Valuation</b>	
At 1 April 2022	1,102,500
Surplus/(deficit) on revaluation	(135,000)
At 31 March 2023	<u>967,500</u>

The investment properties are held to generate a rental income stream for the Charity. All investment properties are revalued by a professional firm of chartered surveyors on an annual cycle (subject to existing tenancies where appropriate). A valuation took place in March 2022.

One exception to this is the Tyland Farm property which is carried at £Nil value on an EUV basis. This property is currently let, with a peppercorn rent, on a 125 year lease ending in 2117. No readily available market value was available for this property at 31 March 2022 and hence the EUV basis is deemed to be the most appropriate basis available without undue cost to the Charity.

**14. Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 April 2022	885,543
Revaluations	(54,117)
At 31 March 2023	<u>831,426</u>
<b>Net book value</b>	
At 31 March 2023	831,426
<i>At 31 March 2022</i>	<u>885,543</u>

**Material investments**

The above listed investments are fully invested in the M&G Charifund, which qualifies as an alternative investment fund.

**Risk profile**

The fund invests mainly in the shares of UK listed dividend paying companies, and a portion of the fund is also invested in the shares of dividend paying companies listed overseas. It is, therefore, subject to the price volatility of the UK and overseas stockmarkets and the performance of individual companies. The fund may also be subject to fluctuations in currency exchange rates.

The fund's focus is on good quality companies with attractive dividend growth prospects. Dividend distributions from the fund's holdings however are not guaranteed and may vary. Diversification across industries and market capitalisation is key in managing liquidity risk and reducing market risk. The fund's risks are measured and managed by M&G as an integral part of the investment process.

Notes to the Financial Statements  
For the Year Ended 31 March 2023

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15. Debtors

	2023 £	2022 £
Trade debtors	189,234	45,467
Other debtors	1,678	22,524
Prepayments and accrued income	62,346	239,851
	<u>253,258</u>	<u>307,842</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,434	-
Amount owed to Maidstone Borough Council	66,505	196,239
Other creditors	72,233	5,700
	<u>140,172</u>	<u>201,939</u>

A formal repayment agreement was established with Maidstone Borough Council for the charity to repay the money loaned by the the Council in respect of capital expenditure in respect of the improvement to Cobtree Manor Park car park.

Repayments began from 1 April 2019 once the work was complete, and interest is payable at a rate of 3% (Public Works Loan Board rate 2% plus 1%). The total balance owing to the Council in respect of the car park loan at 31 March 2023 was £135,032 (2022 - £262,213).

In addition to the car park loan the total balance owed to the Council also includes other amounts of £Nil (2022 - £69,058). The combined total of £135,032 (2022 - £331,271) has been split between amounts falling due within one year (as above) and after more than one year (see note 18).

Notes to the Financial Statements  
For the Year Ended 31 March 2023

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17. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Amount owed to Maidstone Borough Council	68,527	135,032

See narrative at the end of note 17 explaining the balance owed to the Council.

18. Financial instruments

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	250,755	885,543

Financial assets measured at fair value through income and expenditure comprise listed investments.

Notes to the Financial Statements  
For the Year Ended 31 March 2023

19. Statement of funds

Statement of funds - current year

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>						
General funds	438,410	446,455	(300,195)	(139,294)	-	445,376
<b>Endowment funds</b>						
Endowment capital funds	4,211,650	-	(76,547)	-	(329,116)	3,805,987
<b>Restricted funds</b>						
Will Trust	-	30,000	(30,000)	-	-	-
Cobtree Manor Park car park	193,289	-	(38,658)	-	-	154,631
MBC car park loan	(262,213)	-	(12,113)	139,294	-	(135,032)
	(68,924)	30,000	(80,771)	139,294	-	19,599
<b>Total of funds</b>	<b>4,581,136</b>	<b>476,455</b>	<b>(457,513)</b>	<b>-</b>	<b>(329,116)</b>	<b>4,270,962</b>

**Unrestricted Funds**

These comprise funds that the Trustee is free to use in accordance with the charitable objects.

**Restricted Funds**

The Will Trust Fund, the income from which is used to maintain the rural park. The assets of this fund are held by Cobtree Charity Trust Limited, a separate entity.

Cobtree Manor Park car park and associated loan from MBC - this represents the net book value of the car park and the amount of the outstanding associated loan.

**Permanent Endowment Capital Fund**

The permanent endowment capital fund comprises the long-term fixed assets of the charity, being the long-leasehold land and buildings, investment properties and the portfolio of listed investments as detailed in notes 13, 14 and 15.

Notes to the Financial Statements  
For the Year Ended 31 March 2023

19. Statement of funds (continued)

Statement of funds - prior year

	<i>As restated Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General funds	395,197	458,987	(330,382)	(85,392)	-	438,410
<b>Endowment capital funds</b>						
Endowment capital funds	4,115,547	-	(76,547)	39,358	133,292	4,211,650
<b>Restricted funds</b>						
Will Trust	-	34,596	(34,596)	-	-	-
Cobtree Manor Park car park	231,947	-	(38,658)	-	-	193,289
MBC car park loan	(304,045)	-	(4,202)	46,034	-	(262,213)
	(72,098)	34,596	(77,456)	46,034	-	(68,924)
<b>Total of funds</b>	<b>4,438,646</b>	<b>493,583</b>	<b>(484,385)</b>	<b>-</b>	<b>133,292</b>	<b>4,581,136</b>

Notes to the Financial Statements  
For the Year Ended 31 March 2023

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	15,030	154,631	2,007,061	2,176,722
Fixed asset investments	-	-	831,426	831,426
Investment property	-	-	967,500	967,500
Current assets	504,013	-	-	504,013
Creditors due within one year	(73,667)	(66,505)	-	(140,172)
Creditors due in more than one year	-	(68,527)	-	(68,527)
<b>Total</b>	<b>445,376</b>	<b>19,599</b>	<b>3,805,987</b>	<b>4,270,962</b>

The restricted creditor balances relate to balances owed to the corporate trustee, Maidstone Borough Council, in respect of funds provided during 2018-19 to fund the new car park works that have been capitalised as tangible fixed asset additions. It is a requirement of the repayment agreement for these amounts to be treated as and disclosed as a restricted balance in the annual accounts.

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Endowment funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	22,547	193,289	2,223,607	2,439,443
Fixed asset investments	-	-	885,543	885,543
Investment property	-	-	1,102,500	1,102,500
Current assets	490,621	-	-	490,621
Creditors due within one year	(74,758)	(127,181)	-	(201,939)
Creditors due in more than one year	-	(135,032)	-	(135,032)
<b>Total</b>	<b>438,410</b>	<b>(68,924)</b>	<b>4,211,650</b>	<b>4,581,136</b>

**Notes to the Financial Statements  
For the Year Ended 31 March 2023**

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**21. Related party transactions**

Maidstone Borough Council (MBC) is the Corporate Trustee of the Charity.

MBC owns part of the land upon which the golf course is built. The accounting arrangements between MBC and the charity are that MBC is responsible for all receipts and payments for both the golf course and the Manor Park. At the end of each financial year the the income and expenditure relating to Cobtree Manor Estate is shown in the Charity's accounts.

For the golf course 7/9ths of the total revenue is transferred to the trust accounts, reflecting the split of land ownership. The remaining 2/9ths are shown in the accounts of the Council.

The Statement of Financial Activities includes income of £236,901 (2022 - £209,236) in relation to operating the estate in accordance with this arrangement, as broken down below.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Golf club revenue	135,249	131,309
Will trust income	30,000	34,596
Rental income	63,763	43,331
	-----	-----
	229,012	209,236

Expenditure reflected through the Statement of Financial Activities includes operating costs in relation to income streams above.

During the year MBC provided various other services to the Charity, which have been included within direct charitable expenditure. Total recharges of £206,267 (2022 - £207,122) were made for these services. This total comprises: Parks & Open Space - £121,370; staff recharges - £74,615; legal and professional fees - £8,065 and equipment hire and maintenance - £2,217.

At 31 March 2023, the Charity owed £135,032 (2022 - £220,159) to Maidstone Borough Council.

**22. Controlling party**

The Charity is under the control of the Corporate Trustee, Maidstone Borough Council.

**23. Taxation**

Cobtree Manor Estate is a registered charity and is therefore potentially exempt from taxation on its income and gains as the charity falls within the definition of a charitable trust as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.

# COBTREE MANOR ESTATE COMMITTEE



UHY Hacker Young,  
Thames House,  
Roman Square,  
Sittingbourne,  
Kent. ME10 4BJ

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of Cobtree Manor Estate for the year ended 31 March 2023. We note that your audit was performed for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the result and financial position of Cobtree Manor Estate in accordance with the UK Generally Accepted Accounting Practice financial reporting framework.

We confirm to the best of our knowledge and belief, the following representations made to you in connection with your audit of this entity's financial statements:-

1. **General**

We acknowledge as trustees our responsibility under the Charities Act 2011 for preparing financial statements, which give a true and fair view of the financial position of Cobtree Manor Estate as of 31 March 2023, and of the result of its operations for the year then ended, and for making accurate representations to you. The financial statements are free of material misstatements, including omissions. We confirm that we have held prior discussion with you to ensure that there is complete agreement on the meaning of all confirmations that we are making to you.

We have made available to you all the accounting records necessary for your audit, including books of account, supporting documentation and all minutes of meetings of shareholders and the board of trustees. All the entity's transactions have been reflected in the accounting records produced to you. We have not withheld any information, the knowledge of which could cause you to take a materially different view in your report.

All relevant access to persons within the charity has been made available to you for the purpose of your audit.

We acknowledge our responsibility for the design and implementation of internal control procedures to prevent and detect fraud and error, and have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We are not aware of any irregularities involving either management, employees with a significant role in internal control, former employees, analysts, regulators or anyone else where those irregularities could have a material effect on the financial statements.

2. **Non-audit services**

We understand that, under the Financial Reporting Council Ethical Standards, the provision of audit and non-audit services to us by yourselves gives rise to a potential threat to independence. This includes the preparation of the statutory financial statements and corporation tax computations. We confirm that you have explained to us the threats and the safeguards that you have put in place to address the potential self-review threat.

We confirm that we have discussed the draft accounts and final journals and agree to inclusion of the (attached) journals in the final accounts (see Appendix I).

We have also reviewed the unadjusted audit differences listed in Appendix II and confirm that we have not made adjustments for these since we believe that the effects of the uncorrected misstatements, both individually and in aggregate, are immaterial to the financial statements taken as a whole.

3. **Commitments, contingencies and liabilities**

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the financial statements all guarantees that we have given to third parties. We do not know of any substantial liabilities, contingent liabilities of capital commitments, of a material amount, other than those disclosed in the financial statements.

4. **Litigation**

There is no litigation in progress or pending (other than to recover debts).

5. **Transactions and arrangements with officers and related parties**

We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous.

We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.

6. **Post Balance Sheet Events**

No other events or transactions have occurred, or are pending, which could either have a material effect on the financial statements or which are of such significance in relation to the entity's affairs that they should either require adjustment or be disclosed in the financial statements, or notes thereto, in order to avoid giving a misleading view of the entity's financial position.

7. **Laws and Regulations**

We are not aware of any events which involve possible or actual instances of non-compliance with those laws and regulations which provide a legal framework within which the entity conducts its business. The entity has complied with all aspects of contractual agreements and the

requirements of regulatory authorities that, in either case, could, in the event of non-compliance, have a material effect on the financial statements.

## 8. Accounting estimates

The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

We confirm that:

- significant judgments made in making the accounting estimates have considered all relevant information of which we are aware.
- the consistency and appropriateness in the selection or application of the methods, assumptions and data used by management in making the accounting estimates.
- the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the company, whenever relevant to the accounting estimates and disclosures.
- disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework.
- that appropriate specialised skills or expertise has been applied in making the accounting estimates, where appropriate.
- that no subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.

## 9. Fixed assets

We confirm that the following land and buildings shown in the accounts are owned by the charity and that we believe the carrying valuations are appropriate:

<b>Long-term leasehold properties:</b>	<b>£</b>	<b>Comments</b>
Cobtree Manor Golf Course	637,778	(being 7/9 <sup>th</sup> of the £1m valuation by Harrisons)
Cobtree Play Area	459,283	Depreciation over UEL 10 years
Cobtree Café/Visitor Centre	210,000	(based on Harrisons valuation)
Kent Life Attraction	700,000	(based on Harrisons valuation)
Cobtree Manor Park Car Park	154,631	Depreciation over UEL 8 years
	<b>2,161,692</b>	

<b>Investment properties:</b>	<b>£</b>	<b>Comments</b>
Garden Cottage	330,000	(based on Harrisons valuation)
2 Stream Cottages	182,500	
3 Stream Cottages	225,000	
4 Stream Cottages	230,000	
Gate Lodge	-	
Tyland Farm	-	Based on an Existing Use Value basis and the 125 year lease with a peppercorn rent
	<b>967,500</b>	

10. **Going Concern**

We confirm that having considered our expectations, intentions and projections for the twelve months following the date of this letter, and the availability of unrestricted reserves, we are not aware of any matters that would suggest that the charity will not continue as a going concern.

In particular we confirm the following balances owing to and from Maidstone Borough Council at 31 March 2023:

Amounts owed to Maidstone B.C	135,032
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The amounts owed to Maidstone B.C. are further split as follows:

Car park loan (due within one year)	66,505
Car park loan (due after more than one year)	68,527
	-----
	135,032

11. **Future Plans**

We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully,

.....  
Name and Signature

On behalf of the Cobtree Manor Estate Committee

Date:

## APPENDIX I – AGREED ADJUSTMENTS INCLUDED IN THE FINANCIAL STATEMENTS

The following adjustments were discussed and agreed with you, and the impact on net income is shown below:

	£	Effect on net income £
Surplus per Sage		49,777
Investment revaluation movement	54,117	(54,117)
Fixed asset revaluation movement	274,999	(274,999)
Write off duplicated invoice for MBC	12,736	(12,736)
Write off irrecoverable VAT from control account	18,099	(18,099)
Reanalysis of costs from prof fees to R&M	4,744	-
Reanalysis of 2/9ths owed to MBC re golf club	38,642	-
Reanalysis of income from licences to car park	19,200	-
<b>Revised surplus/(loss)</b>		<b><u>(310,174)</u></b>

## APPENDIX II – UNADJUSTED AUDIT DIFFERENCES

	Effect on net income £
<b>Unadjusted audit differences</b>	
Understatement of Café income (Q4 inv not accounted for)	2,182
Adjustment for overstated loan interest	8,069
Under accrual for UHY fee	(835)
Extra accruals identified	(5,079)
<b>Impact of unadjusted audit differences</b>	<b><u>4,337</u></b>

# Cobtree Manor Estate

**Audit Findings Report**  
Year ended 31 March 2023



# Contents



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# Introduction

## Cobtree Manor Estate

### Purpose of this audit findings report

The purpose of this report is to provide constructive observations which have arisen from our audit of the financial statements of Cobtree Manor Estate (“the Charity”) for the year ended 31 March 2023.

This report provides an update to the matters raised in our Audit Service Plan, which was provided to the Trustees on 14 July 2023, focussing on observations that are significant to the responsibility of those charged with governance to oversee the financial reporting process as required by International Standard on Auditing (UK) 260, *Communication with those charged with governance*, (ISA (UK) 260).

Included within this Report are details of any unadjusted misstatements in the financial statements (with the exception of those deemed to be “clearly trivial”), any material weaknesses in systems we have identified during the course of our audit work and our views about the quality of accounting practices and financial reporting procedures, together with any further relevant matters.

### Audit independence

We are required to reaffirm our independence at the conclusion of the audit.

We confirm that no matters have arisen that impact on our previous statement made in our Audit Service Plan that there are no relationships between our firm and connected entities and your Charity and related entities that need to be brought to your attention.

Should you have any questions relating to the issue of our independence and objectivity, please do not hesitate to contact Allan Hickie on 01795 475363 or at [a.hickie@uhy-uk.com](mailto:a.hickie@uhy-uk.com).

## Confidentiality and limitations

Please note the following important limitations with regards to the contents of this Report:

- This Report has been prepared for the sole use of Cobtree Manor Estate;
- The contents of this Report must not be disclosed or quoted to third parties, in whole or in part, without our prior written consent;
- We assume no responsibility to any other person;
- Our procedures are carried out solely for the purpose of our audit of the financial statements. Our audit is not designed to identify all matters that may be relevant to those charged with governance; accordingly the matters referred to within this Report may not be the only shortcomings that exist.

## Recommendations

All issues raised within this Audit Findings Report have been discussed with management.

### Acknowledgement

We would like to thank all staff who were involved in the audit for their help and co-operation during our audit, particularly Paul Holland and his team. It has been a pleasure to work with Paul and we are grateful for the time he has taken to assist with our queries.



# Audit status

## Status of the audit

Our work was carried out in accordance with our audit plan communicated to you in our Audit Service Plan dated 14 July 2023.

Throughout our work we considered the key audit risks noted in our Audit Service Plan, and no matters were identified which required us to change our approach. Further to this, no additional risks were identified. We comment on the original risks communicated in our Audit Service Plan, and our conclusion on these risks later in this Report.

Our audit is substantially complete, although we are finalising our procedures in the following areas:

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Outstanding matters:    Final signed Trustees' Report;

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   Signed Letter of representation.

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We do not anticipate that the completion of our work in these areas will give rise to any material adjustment.

## Letter of representation

We have forwarded the Letter of Representation, which we request that the Trustees approve and sign at the same time as the financial statements, under separate cover. This letter contains only standard matters with no specific representations in respect of the Charity, with the exception of the following:

- Going concern
- Valuation of assets
- MyTime debtor recoverability

## Anticipated audit report

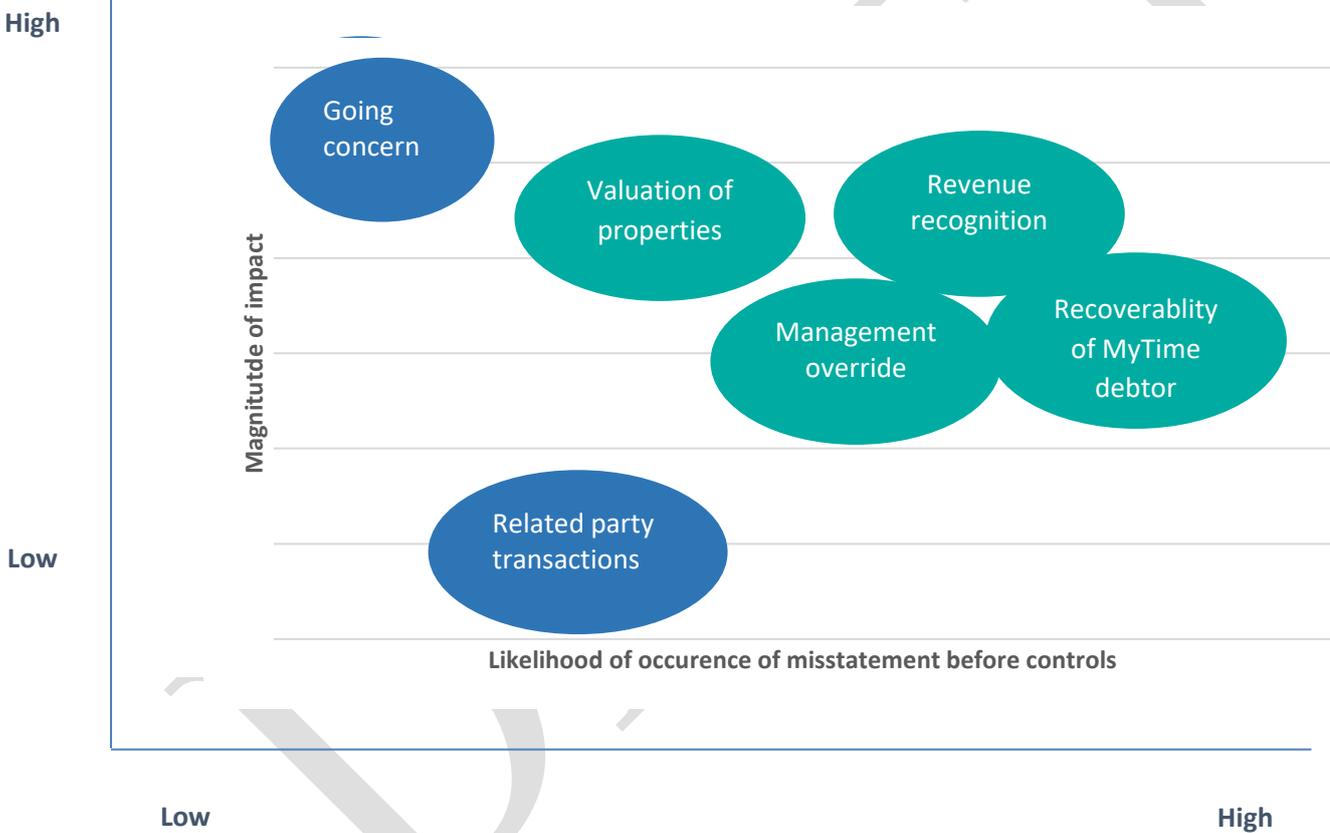
Subject to the conclusion of the above items, we do not expect any modifications to our audit report on the financial statements for the year ended 31 March 2023. However, our responsibilities with regards to the audit report extend up to the date on which it is signed and we will advise you of any changes to this position if necessary.

# Significant audit risks and other areas of audit focus



The table below set out our initial assessment of the Charity’s key audit risks relating to the year ended 31 March 2023 as originally communicated in our Audit Service Plan.

Within this section we comment on the results of our work undertaken in connection with these risks previously identified at planning, together with communicating any additional risks in relation to the financial statements of Cobtree Manor Estate that came to our attention during the course of our audit fieldwork.



- Key:**
- Significant risks ●
  - Others areas of audit focus ●
  - Updated risk ●

## Update on risk profile

The work undertaken during the course of our audit fieldwork did not indicate that the risk profile of the above matters has significantly changed from our initial assessment.

## Significant risks

### (1) Revenue recognition

#### Assessment of risk at planning

The International Standards on Auditing (UK) consider revenue recognition to be an inherent fraud risk and on consideration of the Charity's sources of income, this cannot be rebutted.

The Charity's accounting policies for income should follow the criteria set out in FRS 102 and the Charities SORP.

#### Our response and conclusion

We have:

- Updated our documentation of the revenue process and controls in place, this included assessing the design and implementation of those controls.
- Assessed whether revenue was accounted in accordance with the accounting policy on revenue recognition.
- Analytically reviewed revenues and verified significant movements against expectations/performed proof in total
- Tested a sample of transactions to agreements to supporting evidence
- Reviewed the assessment made by management in relation to the application of the correct cut off processes

Based on the work performed, no significant or reportable adjustments were noted.

### (2) Management override

#### Assessment of risk at planning

The International Standards on Auditing (UK) consider management override of controls to be an inherent fraud risk due to the possibility of financial statement bias or fraud. Whilst there were no indicators of any significant factors that would give rise for management to carry out such actions, as the Charity's finance team consists of few people and the Chief Executive has primary oversight of all key operational decisions we were unable to rebut this risk.

## **Our response and conclusion**

We have:

- Updated our documentation around the posting of journals and formulation of key estimates and assessed the design and implementation of those controls.
- Assessed and challenged accounting estimates, judgements and decisions made by management.
- Tested a sample of journal entries, adjustments and accounting estimates for bias that could result in material misstatements.
- Review significant transactions to ensure they were in the normal course of business.

Based upon the work undertaken, we found no indication of management bias or significant transactions outside the normal course of business.

### **(3) Valuation of properties**

#### **Assessment of risk at planning**

Given the movement in the property market there is the risk that there has been a material change in value in the land and buildings that has not been reflected in the accounts. Buildings are valued by chartered surveyors. Due to the nature of the assets and the valuation of the buildings is very high in value.

#### **Our response and conclusion**

We have:

- Agreed valuations to third party reports.

Based upon the work undertaken, we found properties were not materially misstated in the accounts.

### **Other areas of audit focus**

#### **Related parties**

Transactions with related parties outside of the normal course of the Charity's activities are considered to be a significant risk under the International Standards on Auditing (UK). At the planning stage, no such transactions were anticipated from our discussions with management and accordingly, related parties were not included as a significant audit risk.

We undertook work to ensure that related party disclosures have been correctly made in accordance with both the Financial Reporting Standard 102 ("FRS 102") and the Charities SORP. This included providing management with our standard related parties questionnaire template to be completed by Trustees and members of key management personnel, together with review of the Charity's own procedures for identifying potential conflicts of interests to ensure that they are adequate. In addition we verified the information supplied to external sources such as the registers maintained by Companies House and the Charity Commission.

Related party disclosures included within the financial statements appear to be complete from our work performed.



# Accounting practices and financial reporting issues

## Qualitative aspects of accounting practices and financial reporting

During the course of our audit, we consider the qualitative aspects of the financial reporting process, including items that have a significant impact on the relevance, reliability, comparability, understandability and materiality of the information provided by the financial statements.

### Accounting policies

We have reviewed the accounting policies adopted by the Charity and have found them to be appropriate and applied consistently.

There have been no changes to the accounting policies, nor changes to the activities of the Charity necessitating changes to accounting policies, since the previous period.

### Unusual transactions

The extent to which the financial statements are affected by any unusual transactions during the period and the extent to which such transactions are separately disclosed in the financial statements. There were no matters arising.

Throughout the course of our audit fieldwork, we considered the timing of transactions and the period in which they are recorded. We did not identify any significant transactions where we had concerns over the timing or the period in which they were recognised. Specifically, we confirm that based upon our testing, income appears to have been appropriately accrued or deferred as required and appropriate accruals for expenditure have been included.

### Accounting estimates and judgements

We reviewed the appropriateness of accounting estimates and judgements, including the consistency of assumptions and degree of prudence reflected in the accounting records. There were no matters arising.

### Going concern

We considered material uncertainties related to events and conditions that may cast significant doubt on the Charity's ability to continue as a going concern. There were no matters arising.

### Trustees' Annual Report and Strategic Report

We reviewed the Trustees' Annual Report and Strategic Report to ensure consistency with the financial statements, and to ensure that all necessary disclosures have been made. There were no matters arising.

### Disagreements

There were no disagreements about matters that, individually or in aggregate, could be significant to the Charity's financial statements or our auditor's report. We are required to report to the Trustees any such matters, whether they have or have not been resolved and the significance of these matters.

### Significant difficulties

We encountered no significant difficulties during the course of the audit that we feel necessary to bring to your attention.

### Significant matters

There were no significant matters arising from the audit that we have discussed, or were subject to correspondence with management which have required us to obtain written representations from management.

### Other matters

As part of our audit work we consider the potential effect on the financial statements of any uncertainties, including significant risks and disclosures, such as pending litigation that are required to be disclosed in the financial statements.

# Adjusted and unadjusted misstatements



Under the requirement of ISA (UK) 260, we are required to report to you all adjusted and unadjusted misstatements, with the exception of those deemed to be ‘clearly trivial’.

Below sets out the misstatements identified as part of this year’s audit.

## Audit adjustments agreed with management

	Effect on net income	
	£	£
Surplus per Sage		49,777
Investment revaluation movement	54,117	(54,117)
Fixed asset revaluation movement	274,999	(274,999)
Write off duplicated invoice for MBC	12,736	(12,736)
Write off irrecoverable VAT from control account	18,099	(18,099)
Reanalysis of costs from prof fees to repairs/maintenance	4,744	-
Reanalysis of 2/9ths owed to MBC re golf club	38,642	-
Reanalysis of income from licences to car park	19,200	-
<b>Revised surplus/(loss)</b>		<b>(310,174)</b>

All journals noted above have been processed through the financial statements.

## Unadjusted items

	Effect on net income
	£
<b>Unadjusted audit differences</b>	
Understatement of Café income (Q4 inv not accounted for)	2,182
Adjustment for overstated loan interest	8,069
Under accrual for UHY fee	(835)
Extra accruals identified	(5,079)
<b>Impact of unadjusted audit differences</b>	<b>4,337</b>

It has been agreed with management that the above unadjusted misstatements are immaterial, both individually and in aggregate, and therefore do not necessitate revision to the audited financial statements.

Trustees' representations regarding the non-adjustment of the above unadjusted misstatements will be included in the Letter of Representation.



# Recommendations to processes and internal controls

The Charity's management is responsible for the identification, assessment and monitoring of risk, and for developing, operating and monitoring the systems of internal control and for providing assurance to the Board of Trustees that it has done so. During the course of our audit of the financial statements for the year ended 31 March 2023, we examined the principal internal controls which management has established to enable it to ensure, as far as possible, the accuracy and reliability of the Charity's assets.

International Standard on Auditing (UK) 265, *Communicating deficiencies in internal control to those charged with governance and management*, (ISA (UK) 265) requires us to report separately where we identify missing or ineffective controls which, in our judgement, are of sufficient importance to bring to the attention of those charged with governance.

During our work we identified no such weaknesses in controls (described as "significant deficiencies" per the ISA). We have however identified some recommendations for improvement as set out below.

The matters dealt with in this Audit Findings Report came to our attention during the conduct of our normal audit procedures which are primarily designed for the purpose of expressing our opinion on the financial statements of the Charity. In consequence it cannot be relied upon necessarily to disclose possible frauds or other irregularities, or to disclose all possible weaknesses or improvements in internal control that a more extensive special examination may highlight.

Our observations from the audit are set out below together with our recommendations and suggested timescale.

## Key to risk ratings:



High

**Urgent, potential impact on accuracy of financial reporting**



Med

**Important and could impact within six months**



Low

**Less urgent, requires attention**



**Advisory**

1. PRIOR YEAR: Accounting records information	
<b>Observation</b>	<p>The 2021/22 audit was started in July 2022 with the accounts information provided. During the audit process a number of large differences were identified between the accounts and other information provided, mostly relating to bank, debtors and creditors.</p> <p>A new version of the accounts was provided in December 2022 with these corrected, however the balance sheet did not balance by £70k.</p> <p>This difference was discussed with your key management, and after further work by UHY the difference was partially resolved, subject to the inclusion of a £30,000 debtor for accrued income.</p> <p>This £30,000 debtor was written off in the final accounts because there was no justification for carrying it forward, and it did not seem to relate to money that would be received.</p>
<b>Recommendation</b>	<p>We recommended that your internal accounts preparation is streamlined so that the accounts are not prepared from a combination of Sage, Agresso and an accounts spreadsheet. The current approach is causing differences to occur and delays in the audit process.</p> <p>Once you have posted an opening balance journal to Sage to bring the system into line with the 2023 statutory accounts, we recommend that you ensure all transactions for 2023/23, including property and investment revaluations, and also all transactions with Maidstone Borough Council, are posted to Sage.</p> <p>It is important that regular reconciliations are made to the Council’s own system to ensure that the “inter-company” balance between CME and MBC is always reflected accurately.</p>
<b>Status in the prior year</b>	 This has been graded as High because of the importance of ensuring the issues that occurred in 2023 do not repeat in the future. <b>High</b>
<b>Status now</b>	<p><b>Resolved.</b></p> <p>An opening balance journal was produced by UHY and posted by the client. The trial balance for 2023 was therefore taken from Sage and able to be used as the starting point for the accounts preparation. This meant that the whole audit was able to be performed more efficiently.</p>



# Sector developments

## Periodic review of Financial Reporting Standard 102, The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)

FRED 82 was published in December 2022 and proposes a number of changes resulting from the second periodic review of FRS 102 and other financial reporting standards.

The proposals for FRS 102 include a new model of revenue recognition and a new model of lease accounting, together with other various incremental improvements and clarifications. In developing FRED 82, the Financial Reporting Council (FRC) has considered changes to International Financial Reporting Standards and other developments in corporate reporting.

The intention behind the changes include more transparent reporting of lease obligations, as well as a clear five-step model for determining the recognition of revenue from all contracts with customers. The changes have been designed to be proportionate to the size and complexity of the entities applying the standard.

The Exposure Draft is currently out for public consultation with comments invited by 30 April 2023. The proposed effective date of the amendments is for accounting periods beginning on or after 1 January 2025.

## New Charities SORP (FRS 102)

The Charity SORP making committee is currently in the process of drafting the new SORP and will be required to consider the changes proposed to FRS 102 as a result of the periodic review, highlighted above. It is assumed from the last published minutes of the SORP Committee that the draft SORP will be issued in October 2023 – however this was based on the revised FRS 102 having an effective date of 1 January 2024, and that has now been pushed back to 1 January 2024. It is therefore highly possible that we will not see any consultation of the new Charities SORP until 2024.

We would expect that the new Charities SORP would be effective for accounting periods beginning on or after 1 January 2025.

## 2023 Charity Commission Annual Return

In February 2023 the Charity Commission published its guide to questions included in the 2023 Annual Return. This iteration of the Return is required to be completed by all charities with financial years beginning on or after 1 January 2023.

New areas being asked on the Return include:

- 1) Providing a breakdown of income across the classifications specified by the Charities SORP

- 2) For grant making charities – to provide a breakdown of the categories charities aided such as: individuals; other charities; other organisations that are not charities; whether any of the grant recipients were related parties.

This is to determine financial risk, as if a charity to charity grant-maker was unable to fulfil its grant commitments, this could lead to financial instability in the wider charity sector.

- 3) Spending outside the United Kingdom
- 4) Charity addresses

To increase public trust in the charity sector and enhance accountability by ensuring the Commission's Register of Charities is up to date, charities will be asked to confirm whether their address is correct and whether it is the same as their administrative headquarters.

- 5) Whether property is held on behalf of the charity by Custodian Trustees.
- 6) The Charity's structure and membership
- 7) Employees and volunteers

Additional questions will be asked about the types of employees the charity has, including those who are self-employed and on fixed-term contracts. The Charity will also be asked to provide the total spend on employee payroll during the financial period.

- 8) Governance

Charities will be asked to confirm whether they have policies on the following at the end of the financial period of the Return:

- internal charity financial controls policy and procedures
- safeguarding policy and procedures
- financial reserves policy and procedures
- complaint's policy and procedures
- serious incident reporting policy and procedures
- internal risk management policy and procedures
- trustee expenses policy and procedures
- trustee conflicts of interest policy and procedures
- investing charity funds policy and procedures
- campaigns and political activity policy and procedures
- bullying and harassment policy and procedures
- social media policy and procedures
- engaging external speakers at charity events policy and procedures

The Charity Commission expects most charities to have policies and procedures on:

- internal charity financial controls
- financial
- risk management
- trustee expenses
- trustee conflicts of interest
- serious incident reporting policy

It may also be appropriate for your charity to have policies on:

- investing charity funds

- engaging in political activity
- bullying and harassment

## 9) Safeguarding and risk

### Charities Act 2022

The first set of provisions from the Charities Act 2022 came into force on 31 October 2022 after the Act received Royal Assent in January 2022. The Charities Act 2022 is not a consolidating Act and so charities statutory accounts will still refer to the Charities Act 2011.

The provisions now in force include:

- An extended power for charities to pay trustees for providing goods to the charity under certain circumstances (in addition to services, and goods connected to services)
- A reduction in the administrative complexities surrounding fundraising appeals that do not reach, or exceed, fundraising targets (often known as 'failed appeals').
- A new statutory power for Royal Charter charities to change sections of their Royal Charter which they could not previously change, with the approval of the Privy Council.

The next set of provisions came into force on 14 June 2023 and centered around the spending of permanent endowments. Further provisions are expected to come into force by the end of 2023. The full Charities Act can be found at [Charities Act 2022 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2022/25).

### '5 minute' guides

The Charity Commission launched a series of '5-minute' guides which it considers covers a core-syllabus of basics which it expects all trustees to be aware of. These have been launched to help trustees run their charities in line with the law. The guides cover:

- Charity purposes and rules
- Making decisions at a charity
- Managing charity finances
- Managing conflicts of interest in a charity
- What to send to the Charity Commission and how to get help

### UHY resources

#### [Charity insights](#)

As part of our commitment to keep our clients informed and up-to-date with the latest developments and ideas in the sector, we have a long-established charities sector blog which covers the latest issues, including any announcements from the Charity Commission, and explains how these issues could affect you. Latest blogs include:

- Framing the work for prosperous Boards
- How passion can help your charity overcome today's challenges
- Updated guidance on managing financial difficulties in your charity

- VAT recovery by charities – time for change?

Visit our insights page to view our latest charity resources. [www.uhy-uk.com/insights](http://www.uhy-uk.com/insights).

### Charity and not-for-profit sector outlook

Our annual Charity Outlook aims to bring you the salient issues relevant to the sector at this time.

Our latest Charity Outlook for 2023/24 was released in May 2023 can be found at [www.uhy-uk.com](http://www.uhy-uk.com) and covered various topics, including:

- Cashless giving
- Increasing financial resilience and sustainability
- Upcoming changes to UK accounting standards
- Charities and the recovery of VAT
- Keeping your charity cyber safe
- What to do if your charity becomes a victim of fraud
- Volunteers, employees and contractors for charities – the legal considerations
- Protecting your charity's reputation

The CEO of ShelterBox, Sanj Srikanthan, also gave us a fascinating insight into the day-to-day issues facing their Charity. ShelterBox have recently completed their time as UHY's National Charity of the Year which was concluded by over 125 UHY team members, friends and family from around the country tackling the 3 Peaks Challenge to raise money for the Charity.

# Agenda Item 12

**Cobtree Manor Estate  
Committee**

**24 January 2024**

## **Cobtree Manor Estate Financial Position**

<b>Final Decision-Maker</b>	Cobtree Manor Estate Committee
<b>Lead Head of Service</b>	Director of Finance, Resources & Business Improvement – Mark Green
<b>Lead Officer and Report Author</b>	Paul Holland, Senior Finance Manager (Client)
<b>Classification</b>	Public
<b>Wards affected</b>	Boxley

### **Executive Summary**

The report summarises the current financial position of the Estate covering the activities at the golf course, Kent Life, the Manor Park and the residential properties. Details for the proposed draft budgets for 2024/25 are also included.

### **Purpose of Report**

To update the Committee on the current financial position and any other relevant matters that may impact the financial position of the Trust.

### **This report makes the following recommendations to this Committee:**

1. That the current financial position be noted.
2. That the proposed budgets for 2024/25 are agreed.

### **Timetable**

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Committee	24 January 2024

# Cobtree Manor Estate Financial Position

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	The operation of the Estate directly supports the objects of the Trust as set out when the Council became the Corporate Trustee	Director of Finance, Resources & Business Improvement
<b>Cross Cutting Objectives</b>	The operation of the Estate supports the Council's strategic objective to ensure there are good leisure and cultural attractions in the Borough.	Director of Finance, Resources & Business Improvement
<b>Risk Management</b>	There is a potential reputational risk if the facilities are operated poorly. This is addressed in the annual risk management report.	Senior Finance Manager (Client)
<b>Financial</b>	There is a financial risk to the Trust if the operations cost more than predicted or fail to generate sufficient income to cover the costs of running the estate.	Senior Finance Manager (Client)
<b>Staffing</b>	There are no additional implications arising from this report.	Senior Finance Manager (Client)
<b>Legal</b>	<p>Under the Council's Constitution the Committee as Corporate Trustee is responsible for all matters relating to the Charity with the exception of daily management.</p> <p>Law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. This update report assists in meeting those requirements</p> <p>There are no further implications arising from this report.</p>	Senior Legal Adviser
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council	Senior Information

	processes.	Governance Officer
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities and Communities Officer
<b>Public Health</b>	There are no additional implications arising from this report.	Senior Public Health Officer
<b>Crime and Disorder</b>	There are no additional implications arising from this report.	Director of Finance, Resources & Business Improvement
<b>Procurement</b>	There are no additional implications arising from this report.	Director of Finance, Resources & Business Improvement
<b>Biodiversity &amp; Climate Change</b>	The implications of this report on biodiversity and climate change have been considered and there are no implications on biodiversity and climate change. A pending decarbonisation study recommendations aims to support areas of the Cobtree Manor Estate to reduce costs from energy consumption, insulate, find low carbon heating solutions, and seek renewable energy options which will save costs in the longer term.	Senior Finance Manager (Client)

## 2. INTRODUCTION AND BACKGROUND

- 2.1 This is a regular update report on the financial position of the Estate, which enables the Committee to see how the various areas of activity are performing. As these are charitable funds there is a need for robust management and monitoring of the budget.

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## 3. CURRENT FINANCIAL POSITION

- 3.1 The table below summarises the financial position of the Estate as at 31<sup>st</sup> December 2023. **Appendix 1** provides a more detailed breakdown of the figures.

### 3.1.1 Overall Summary Position:

	Revised Budget for Year 2023/24	Profiled Revised Budget as at 31st December 2023	Actuals as at 31st December 2023	Variance: Underspend (+) Overspend (-)
<b>Golf Course</b>				
Expenditure	£48,670	£36,503	£37,185	-£683
Income	-£100,240	-£75,180	-£88,777	£13,597
Net Expenditure (+)/Income (-)	-£51,570	-£38,678	-£51,592	£12,915
<b>Manor Park</b>				
Expenditure	£263,380	£193,253	£176,901	£16,352
Income	-£181,080	-£117,980	-£111,321	-£6,659
Net Expenditure (+)/Income (-)	£82,300	£75,273	£65,580	£9,693
<b>Kent Life</b>				
Expenditure	£19,690	£14,768	£11,018	£3,750
Income	-£73,130	-£36,565	-£36,567	£2
Net Expenditure (+)/Income (-)	-£53,440	-£21,798	-£25,549	£3,752
<b>Residential Properties</b>				
Expenditure	£17,320	£12,990	£10,264	£2,726
Income	-£30,000	-£22,500	-£21,543	-£957
Net Expenditure (+)/Income (-)	-£12,680	-£9,510	-£11,279	£1,769
<b>Operational Total</b>	<b>-£35,390</b>	<b>£5,288</b>	<b>-£22,840</b>	<b>£28,128</b>
Investment Income	-£40,000	-£30,000	-£24,945	-£5,055
Interest Paid	£0	£0	£0	£0
Car Park Repayment	£69,650	£0	£0	£0
<b>Total for the Year</b>	<b>-£5,740</b>	<b>-£24,712</b>	<b>-£47,785</b>	<b>£23,073</b>
Net Expenditure (+)/Income (-)				

3.2 The current position shows a surplus of £23,073 for the year to date. There are no significant issues to report, but the following points should be noted:

- The budget for 2023/24 remains as a forecast surplus of £5,740, but there have been some transfers made within and between the operational areas to reflect actual income and expenditure to date this year.
- There has been spend of £14,677 for consultancy work relating to the procurement of the new golf course contract.
- The new golf course contract is now in operation and the income figures now reflect that.
- Gas and electricity costs at for the café are to be largely recharged to the contractor, but the Estate will retain the charges for the toilets and the staff area. The exercise to calculate the recharges will be done shortly and invoices raised. This will largely eliminate this overspend.
- No invoices have been raised for toilet cleaning to date. Standards and the arrangements for cleaning are under review and invoices will be raised and paid when standards are more acceptable. This will then largely eliminate the underspend on this budget.

- As outlined in the Estate Update report elsewhere on this agenda, visitor numbers are down this year compared to 2022, and this is reflected in the shortfall in car parking income. This budget has been reviewed and has been reduced slightly, as it was previously increased when visitor numbers were higher during the pandemic.
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#### 4. **BUDGETS 2024/25**

- 4.1 The proposed budgets for 2024/25 are shown at **Appendix 2**. To ensure some consistency the general approach to setting the budgets was as follows:
- Running costs have been increased by inflation (5%) where applicable.
  - Contract income has been increased in line with the agreed schedules.
  - Insurance costs have been updated in line with the estimated premium for 2024/25.
  - The recharges from Maidstone Borough Council have been updated following a review of the services provided and a revised schedule is shown at **Appendix 3**.
- 4.2 For 2024/25 a small deficit of £6,850 is projected, compared to the surplus of £5,740 that is forecast for the current year. This is in line with previous cashflow forecasts and reflects the reduction in golf course income for the first full year of operation for the new contractor.
- 4.3 Now the new golf course and café contracts are in place an updated cashflow forecast will be brought to the next meeting of the committee.
- 4.4 During the review of budgets for 2024/25 it was identified that a number of budgets were no longer required, so these have been removed and this has partially offset the anticipated reduction in golf course income.
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#### 5. **AVAILABLE OPTIONS**

- 5.1 Section 3 - for noting only.
- 5.2 Section 4 - the Committee could ask for adjustments to be made to the draft budgets.
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#### 6. **PREFERRED OPTIONS AND REASONS FOR RECOMMENDATIONS**

- 6.1 Section 3 - for noting only.
- 6.2 Section 4 – that the budget is approved and formally adopted so that it is in place for 1<sup>st</sup> April 2024.

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**7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

7.1 Officers will continue to monitor the financial position and take appropriate action where necessary.

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**8. REPORT APPENDICES**

- Appendix 1: Financial Position
  - Appendix 2: Draft Budget 2024/25
  - Appendix 3: Draft Maidstone BC Staff Recharges 2024/25
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**9. BACKGROUND PAPERS**

None.

	Revised Budget 2023/24	Profiled Revised Budget as at 31st December 2023	Actual as at 31st December 2023	Variance at end of December 2023
<b>Cobtree Manor Estate</b>				
<b>GOLF COURSE</b>				
Repairs & Maintenance	£5,470	£4,103	£1,357	£2,746
Professional Services	£15,000	£11,250	£14,677	-£3,427
Premises Insurance	£940	£705	£705	£0
<b>Controlled Running Costs</b>	<b>£21,410</b>	<b>£16,058</b>	<b>£16,739</b>	<b>-£682</b>
Contract Income	-£100,000	-£75,000	-£88,777	£13,777
Rent Income	-£240	-£180	£0	-£180
<b>Controlled Income</b>	<b>-£100,240</b>	<b>-£75,180</b>	<b>-£88,777</b>	<b>£13,597</b>
MBC Staff Recharges	£12,530	£9,398	£9,398	-£1
<b>Rechargeable Costs</b>	<b>£12,530</b>	<b>£9,398</b>	<b>£9,398</b>	<b>-£1</b>
<b>Cobtree Golf Course</b>	<b>-£66,300</b>	<b>-£49,725</b>	<b>-£62,640</b>	<b>£12,915</b>
MBC 2/9ths share	£14,730	£11,048	£11,048	-£1
<b>CMET Total</b>	<b>-£51,570</b>	<b>-£38,678</b>	<b>-£51,592</b>	<b>£12,915</b>

<b>MANOR PARK</b>				
Overtime	£4,000	£3,000	£0	£3,000
<b>Employee Costs</b>	<b>£4,000</b>	<b>£3,000</b>	<b>£0</b>	<b>£3,000</b>
Hard Landscaping	£20,850	£15,638	£17,992	-£2,355
Gas	£0	£0	£2,216	-£2,216
Electricity	£0	£0	£8,726	-£8,726
Water Metered	£1,280	£960	£715	£245
Sewerage & Env Services	£1,180	£885	£0	£885
Trade Refuse Collection (Internal)	£8,570	£6,428	£5,702	£726
Cleaning - Toilets	£12,000	£9,000	£0	£9,000
Premises Insurance	£2,210	£1,658	£1,658	-£1
Equipment Purchase	£2,000	£1,500	£1,977	-£477
Equipment Hire	£570	£428	£0	£428
Cash Collection	£2,590	£1,943	£794	£1,149
Protective Clothes	£570	£428	£0	£428
Photocopying	£100	£75	£25	£50
General Expenses	£4,280	£3,210	£922	£2,288
Audit Fee	£5,710	£0	£0	£0
Professional Services	£3,810	£2,858	£5,224	-£2,367
General Insurances	£1,270	£953	£128	£825
External Print & Graphics	£100	£75	£0	£75
<b>Controlled Running Costs</b>	<b>£67,090</b>	<b>£46,035</b>	<b>£46,079</b>	<b>-£44</b>
Fees & Charges - Car Parking	-£100,000	-£87,170	-£73,533	-£13,637
Other Income - Cobtree Charity Trust Ltd	-£40,000	£0	£0	£0
Other Income	-£5,000	-£3,750	£0	-£3,750
Licences	-£80	-£60	£0	-£60
Rent Income (Café)	-£36,000	-£27,000	-£37,788	£10,788
<b>Controlled Income</b>	<b>-£181,080</b>	<b>-£117,980</b>	<b>-£111,321</b>	<b>-£6,659</b>
MBC Staff Recharges	£53,060	£39,795	£39,795	£0
MBC Parks Management	£139,230	£104,423	£91,027	£13,396
<b>Rechargeable Costs</b>	<b>£192,290</b>	<b>£144,218</b>	<b>£130,822</b>	<b>£13,396</b>
<b>Cobtree Manor Park</b>	<b>£82,300</b>	<b>£75,273</b>	<b>£65,580</b>	<b>£9,693</b>

	Revised Budget 2023/24	Profiled Revised Budget as at 31st December 2023	Actual as at 31st December 2023	Variance at end of December 2023
<b>Cobtree Manor Estate</b>				
<b>KENT LIFE</b>				
Repairs & Maintenance of Premises	£5,000	£3,750	£0	£3,750
Premises Insurance	£5,510	£4,133	£4,133	-£1
<b>Controlled Running Costs</b>	<b>£10,510</b>	<b>£7,883</b>	<b>£4,133</b>	<b>£3,750</b>
Contract Income	-£73,130	-£36,565	-£36,567	£2
<b>Controlled Income</b>	<b>-£73,130</b>	<b>-£36,565</b>	<b>-£36,567</b>	<b>£2</b>
MBC Staff Recharges	£9,180	£6,885	£6,885	£0
<b>Rechargeable Costs</b>	<b>£9,180</b>	<b>£6,885</b>	<b>£6,885</b>	<b>£0</b>
<b>Kent Life</b>	<b>-£53,440</b>	<b>-£21,798</b>	<b>-£25,549</b>	<b>£3,752</b>
<b>RESIDENTIAL PROPERTIES</b>				
Repairs & Maintenance	£13,930	£10,448	£7,721	£2,727
Premises Insurance	£770	£578	£578	-£1
<b>Controlled Running Costs</b>	<b>£14,700</b>	<b>£11,025</b>	<b>£8,299</b>	<b>£2,726</b>
Rent Income	-£30,000	-£22,500	-£21,543	-£957
<b>Controlled Income</b>	<b>-£30,000</b>	<b>-£22,500</b>	<b>-£21,543</b>	<b>-£957</b>
MBC Staff Recharges	£2,620	£1,965	£1,965	£0
<b>Rechargeable Costs</b>	<b>£2,620</b>	<b>£1,965</b>	<b>£1,965</b>	<b>£0</b>
<b>Residential Properties</b>	<b>-£12,680</b>	<b>-£9,510</b>	<b>-£11,279</b>	<b>£1,769</b>
<b>OVERALL TOTALS</b>	<b>-£35,390</b>	<b>£5,288</b>	<b>-£22,840</b>	<b>£28,128</b>
Investment Income	-£40,000	-£30,000	-£24,945	-£5,055
Interest Paid (Car park costs)				£0
<b>Net surplus/(deficit) for operational &amp; investment activities</b>	<b>-£75,390</b>	<b>-£24,712</b>	<b>-£47,785</b>	<b>£23,073</b>
Repayment of car park construction costs	£69,650	£0	£0	£0
<b>Net surplus/deficit after repayment</b>	<b>-£5,740</b>	<b>-£24,712</b>	<b>-£47,785</b>	<b>£23,073</b>

<b>Cobtree Manor Estate</b>	<b>Approved Budget 2023/24</b>	<b>Revised Budget 2023/24</b>	<b>Draft Budget 2024/25</b>
<b>GOLF COURSE</b>			
Repairs & Maintenance	£5,470	£5,470	£5,740
Professional Services	£2,960	£15,000	£0
Premises Insurance	£0	£940	£1,100
General Expenses - VAT	£2,680	£2,680	£2,810
<b>Controlled Running Costs</b>	<b>£11,110</b>	<b>£24,090</b>	<b>£9,650</b>
Contract Income	-£100,000	-£100,000	-£60,000
Rent Income	-£240	-£240	-£240
<b>Controlled Income</b>	<b>-£100,240</b>	<b>-£100,240</b>	<b>-£60,240</b>
MBC Staff Recharges	£12,530	£3,830	£3,920
<b>Rechargeable Costs</b>	<b>£12,530</b>	<b>£3,830</b>	<b>£3,920</b>
<b>Cobtree Golf Course</b>	<b>-£76,600</b>	<b>-£72,320</b>	<b>-£46,670</b>
MBC 2/9ths share	£16,840	£16,070	£10,370
<b>CMET Total</b>	<b>-£59,760</b>	<b>-£56,250</b>	<b>-£36,300</b>

<b>MANOR PARK</b>			
Overtime	£4,000	£4,000	£4,000
<b>Employee Costs</b>	<b>£4,000</b>	<b>£4,000</b>	<b>£4,000</b>
Hard Landscaping	£16,070	£21,190	£16,870
Gas	£0	£0	£0
Electricity	£1,000	£0	£0
Water Metered	£1,280	£1,280	£1,340
Sewerage & Env Services	£1,180	£1,180	£1,240
Trade Refuse Collection (Internal)	£8,570	£8,570	£9,000
Cleaning - Toilets	£12,000	£12,000	£0
Premises Insurance	£2,670	£2,210	£2,560
Equipment Purchase	£0	£2,000	£2,000
Equipment Hire	£570	£570	£600
Vehicle Leasing & Running Costs	£2,730	£0	£0
Vehicle Insurance	£930	£0	£0
Cash Collection	£2,590	£1,500	£1,580
Protective Clothes	£570	£570	£600
Photocopying	£570	£100	£110
General Expenses	£4,280	£3,600	£3,780
General Expenses - VAT	£6,430	£0	£0
Audit Fee	£5,710	£5,710	£6,000
Professional Services	£3,810	£3,810	£4,000
Direct Telephones	£220	£0	£0
Mobile Telephones	£120	£0	£0
General Insurances	£170	£1,270	£1,270
External Print & Graphics	£180	£100	£110
<b>Controlled Running Costs</b>	<b>£71,650</b>	<b>£65,660</b>	<b>£51,060</b>
Fees & Charges - Car Parking	-£110,000	-£100,000	-£100,000
Other Income - Cobtree Charity Trust Ltd	-£40,000	-£40,000	-£40,000
Other Income	-£5,000	-£5,000	-£5,000
Licences	-£80	-£80	-£80
Rent Income (Café)	-£34,000	-£36,000	-£36,000
<b>Controlled Income</b>	<b>-£189,080</b>	<b>-£181,080</b>	<b>-£181,080</b>
MBC Staff Recharges	£53,060	£62,060	£63,530
MBC Parks Management	£139,230	£139,230	£146,190
<b>Rechargeable Costs</b>	<b>£192,290</b>	<b>£201,290</b>	<b>£209,720</b>
<b>Cobtree Manor Park</b>	<b>£78,860</b>	<b>£89,870</b>	<b>£83,700</b>

<b>Cobtree Manor Estate</b>	<b>Approved Budget 2023/24</b>	<b>Revised Budget 2023/24</b>	<b>Draft Budget 2024/25</b>
<b>KENT LIFE</b>			
Repairs & Maintenance of Premises	£11,480	£5,000	£5,000
Premises Insurance	£9,490	£5,510	£6,520
General Expenses - VAT	£1,610	£1,610	£1,690
<b>Controlled Running Costs</b>	<b>£22,580</b>	<b>£12,120</b>	<b>£13,210</b>
Contract Income	-£73,130	-£73,130	-£76,130
<b>Controlled Income</b>	<b>-£73,130</b>	<b>-£73,130</b>	<b>-£76,130</b>
MBC Staff Recharges	£9,180	£6,900	£7,060
<b>Rechargeable Costs</b>	<b>£9,180</b>	<b>£6,900</b>	<b>£7,060</b>
<b>Kent Life</b>	<b>-£41,370</b>	<b>-£54,110</b>	<b>-£55,860</b>
<b>RESIDENTIAL PROPERTIES</b>			
Repairs & Maintenance	£13,930	£11,000	£11,520
Legal Fees	£0	£0	£0
Premises Insurance	£330	£770	£970
General Expenses - VAT	£0	£1,000	£1,050
<b>Controlled Running Costs</b>	<b>£14,260</b>	<b>£12,770</b>	<b>£13,540</b>
Rent Income	-£30,000	-£30,000	-£30,000
<b>Controlled Income</b>	<b>-£30,000</b>	<b>-£30,000</b>	<b>-£30,000</b>
MBC Staff Recharges	£2,620	£3,830	£3,920
<b>Rechargeable Costs</b>	<b>£2,620</b>	<b>£3,830</b>	<b>£3,920</b>
<b>Residential Properties</b>	<b>-£13,120</b>	<b>-£13,400</b>	<b>-£12,540</b>
<b>TOTALS - OPERATIONAL ACTIVITIES</b>	<b>-£35,390</b>	<b>-£33,890</b>	<b>-£21,000</b>
Investment Income	-£40,000	-£41,500	-£40,000
<b>Net (surplus)/deficit for operational &amp; investment activities</b>	<b>-£75,390</b>	<b>-£75,390</b>	<b>-£61,000</b>
Repayment of car park construction costs	£69,650	£69,650	£69,650
<b>Net surplus/deficit after repayment</b>	<b>-£5,740</b>	<b>-£5,740</b>	<b>£8,650</b>

APPENDIX 3

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Service	Description of Service Provided	Hourly Rate	Total Hours p.a.	Total Days p.a.	23/24 Charge p.a.	Draft Charge 24/25 n.a.	Allocation across service areas			
							Golf Course (Dept.1)	Manor Park (Dept.2)	Kent Life (Dept.3)	Residential Properties (Dept.4)
Communications	Provision of communications service as and when required	£33	11.5	1.6	£440	£460	£23	£373	£41	£23
Democratic Services	Agenda management and attendance at Committee meetings	£32	56.0	7.6	£1,720	£1,810	£91	£1,466	£163	£91
Finance	Cobtree Finance Officer - Monthly accounts, budgets and year-end accounts	£54	92.5	12.5	£5,280	£5,540	£277	£4,487	£499	£277
	Other financial services - accounts payable/receivable, VAT and banking	Activity based costing	N/A	N/A	£3,620	£3,800	£190	£3,078	£342	£190
Director of Finance, Resources & Business Improvement	Management services - Cobtree included in the area of responsibility	£110	44.4	6.0	£4,890	£5,120	£256	£4,147	£461	£256
Human Resources	Provision of HR services including payroll and learning & development	Per Capita charge	N/A	N/A	£1,680	£1,760	£88	£1,426	£158	£88
ICT	Provision of ICT services including Kent Public Sector Network Service charge	Notional charge	N/A	N/A	£910	£960	£48	£778	£86	£48
Legal Services	Provision of legal services	Estimate of expenditure based on previous activity	N/A	N/A	£4,290	£4,500	£225	£3,645	£405	£225
Parking Services	Enforcement services	Contract cost	N/A	N/A	£1,290	£1,350	£68	£1,094	£122	£68
	Software maintenance - parking services system	Contract cost	N/A	N/A	£2,590	£2,720	£136	£2,203	£245	£136
	Operational administration and finance	£26	144.0	19.5	£4,200	£4,410	£221	£3,572	£397	£221
Parks & Leisure	Management of Cobtree Manor Park and strategic direction. Management of contracts for the golf course and Kent Life attraction	£42	495.0	66.9	£22,200	£22,200	£1,110	£17,982	£1,998	£1,110
Procurement	Monitoring and contractual/statutory compliance of the service providers at Kent Life, the golf course and the café	£33	495.0	66.9	£17,530	£17,530	£877	£14,199	£1,578	£877
Property Services	Property management and maintenance services	£47	120.0	16.2	£5,970	£6,270	£314	£5,079	£564	£314
<b>Total Charge:</b>					<b>£76,610</b>	<b>£78,430</b>	<b>£3,920</b>	<b>£63,530</b>	<b>£7,060</b>	<b>£3,920</b>