

MAIDSTONE BOROUGH COUNCIL

**RECORD OF DECISION OF THE COBTREE MANOR ESTATE CHARITY
COMMITTEE**

Decision Made: 14 January 2015

**CHARITY KNOWN AS THE COBTREE MANOR ESTATE - ACCOUNTS
2013/14**

Issue for Decision

To consider the audited Report and Financial Statements for the financial year 2013/14.

Decision Made

That the Report and Financial Statements for the financial year 2013/14 and the Letter of Representation, attached as Appendix A to the report of the Head of Finance and Resources, be approved.

Reasons for Decision

In July 2014 the Committee received the un-audited Report and Financial Statements for the financial year 2013/14.

The audited 2013/14 Report and Financial Statements from the external auditors are attached as Appendix A to the report of the Head of Finance and Resources together with the Management Letter, details of unadjusted misstatements, the Letter of Comment and the Letter of Representation.

The Accounts must be formally approved and signed before they are submitted to the Charity Commission by 31 January 2015.

Accounts 2013/14

Following their examination of the Report and Financial Statements, King & Taylor, the external auditors, recommended a small number of changes, which have now been incorporated into the audited version. The most significant change was in relation to the Will Trust income received from the Cobtree Charity Trust Ltd, where the actual amount received was £5,610 less than the estimated figure in the draft Accounts. In addition there were other adjustments to the Accounts totalling £9,868.

The draft Accounts showed a sum due from Maidstone Borough Council to the Charity of £10,146, this being the provisional operational surplus for

2013/14. The impact of these adjustments means that for 2013/14 there is now a small operational deficit of £5,332, which is owed by the Charity to the Council. This is a sum that will have no impact upon the operational activities of the Charity as resources have been set aside which can be used to make this payment.

The Letter of Representation, the Letter of Comment, details of unadjusted misstatements and the Management Letter also form part of Appendix A to the report of the Head of Finance and Resources.

The Letter of Representation seeks confirmation of a number of statements relating to the audit and the information supplied to the external auditors during the course of their audit.

The Letter of Comment draws attention to matters that arose during the course of the audit.

The Management Letter draws attention to points of interest that the external auditors have identified. Only one point has been raised and the comment on this is as follows:

At present there is no obligation for the Accounts to be formally audited by a registered auditor, but Trustees have chosen to have a formal audit. Based on the current thresholds Trustees could still elect to have an independent examination rather than a formal audit, but this point notes that this option may not be available in the future if the statutory thresholds are exceeded.

Alternatives Considered and Why Rejected

There are no alternative actions as the Accounts and the Letter of Representation must be formally approved and signed before they are submitted to the Charity Commission by 31 January 2015.

Background Papers

None.

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Policy and Communications by: 22 January 2015.
