

**COBTREE MANOR ESTATE  
TRUST COMMITTEE**

**17<sup>th</sup> January 2019**

**Accounts 2017/18**

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

**Executive Summary**

The audit of the Trust accounts for 2017/18 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.

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

1. That the Report and Financial Statement for 2017/18 are approved and submitted to the Charity Commission.
2. That the Letter of Representation be approved.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Cobtree Manor Estate Trust Committee	17 <sup>th</sup> January 2019

# Accounts 2017/18

## 1. INTRODUCTION AND BACKGROUND

1.1 The audit of the Report and Financial Statements is now 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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## 2. ACCOUNTS 2017/18

2.1 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.

2.2 There are no major issues that have arisen regarding the accounts following the audit. A number of minor amendments were made to the draft accounts that were submitted for audit, and there are also a small number of unadjusted misstatements, both of which are shown on the final two pages of the Audit Management Letter, which is reported elsewhere on this agenda. None of these have had any impact upon the financial resources available to the Trust.

2.3 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 slightly from £4.30m to £4.26m, with the Statement of Financial Activities (SOFA) showing a deficit of £37,553 on the activities of the Trust for the year.
- The movement in the SOFA includes a deficit of £54,825 on the charitable activities of the Trust, which reflects the writing off of the sum due from Mytime with regards to the golf course contract, and the deficit on the operation of the café/visitor centre.
- The SOFA also reflects a small reduction of £17,922 in the value of the Charifund investment, and an upward movement of £35,194 in the value of fixed assets held.
- The final value of write-off of the Mytime debt within the accounts was reduced from £48,125 to £24,062. This was an adjustment recommended by the auditors to reflect the value to the Trust of the in-kind services to be provided by Mytime as part of the settlement of the disputed sum.
- The accounts also include a debtor for the VAT due at the end of March 2018, but this will have no impact on the financial resources of the Trust.

- 2.4 **Appendix 2** is the Letter of Representation for 2017/18. 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.
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### **3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 3.1 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 2019.
- 3.2 There are no other available options as there is a legal requirement to produce and approve the Report and Financial Statements.
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### **4. RISK**

- 4.1 The two main risks associated with this report are financial and reputational.
- 4.2 The year-end accounts reflect information reported to the Trust during the course of the year on the financial performance of the estate activities. This enables the committee to make informed decisions on various issues presented to them.
- 4.3 The reputational risk is that the accounts are not filed with the Charity Commission by the deadline of 31<sup>st</sup> January 2019. This report will enable that to happen.
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### **5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 5.1 Not applicable.
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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. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	None	

<b>Risk Management</b>	A number of risks have been identified which are outlined in the report.	Paul Holland – Senior Finance Manager (Client)
<b>Financial</b>	The financial implications are outlined in the report.	Paul Holland – Senior Finance Manager (Client)
<b>Staffing</b>	None	
<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>The Trustee is responsible for preparing the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice.</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.</p>	Keith Trowell, Team Leader (Corporate Governance), MKLS
<b>Privacy and Data Protection</b>	There are no specific privacy or data protection issues to address.	Keith Trowell, Team Leader (Corporate Governance), MKLS
<b>Equalities</b>	No impact identified.	Equalities and Corporate Policy Officer
<b>Crime and Disorder</b>	None	
<b>Procurement</b>	None	

## **8. REPORT APPENDICES**

- Appendix 1: Report and Financial Statements 2017/18
  - Appendix 2: Letter of Representation
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## **9. BACKGROUND PAPERS**

None.