

Cobtree Manor Estate**Notes to the financial statements
for the year ended 31 March 2011****1. Accounting Policies****1.1. Accounting Convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Charities Statement of Recommended Practice (SORP) and applicable accounting standards.

1.2 Fund Accounting

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

Restricted funds are those funds held for a specific purpose upon which restrictions have been imposed by the donor.

The endowment fund represents those assets that must be held permanently by the charity.

1.3 Incoming Resources

All incoming resources are included within the SOFA when the charity is legally entitled to the income and the amount can be reasonably quantified.

All grants and voluntary income are accounted for gross when receivable as long as they are capable of financial measurement.

1.4 Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs relate to more than one functional cost category, they have been split on an appropriate estimated basis.

Governance Costs are those associated with the governance arrangements which relate to the general running of the charity.

Support costs (those which do not produce or constitute the output of the charity) are allocated directly to the relevant charitable activity.

1.5 Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

- Land - Nil
- Leasehold properties - Nil

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Land and buildings are re-valued on a five yearly cycle. No depreciation has been provided on the buildings as this is considered immaterial due to the estimated useful life and the level of residual value.

Impairment would be provided if necessary. Impairment reviews will be carried out when there are any indicators of impairment.

1.6 Investments

Fixed asset investments are stated at market value. Provision is made for any permanent diminution in value.

2. Resources Arising

The total incoming resources of the charity for the year have been derived from its principal activity wholly undertaken in the UK.

3. Analysis of Resources Expended

Resources expended include the following: -

	2011	2010
	£	£
Auditors' Remuneration – audit services	4,320	4,530

a) Costs of activities in furtherance of charity's objective

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Staff Costs	3,472	35,193	38,665	74,981
Grounds Maintenance	45,928	33,003	78,931	81,144
Golf Course Improvements	-	-	-	2830
Utilities	62,457	-	62,457	64,614
Property Repairs	108,809	-	108,809	29,367
	<u>220,667</u>	<u>68,196</u>	<u>288,863</u>	<u>252,936</u>

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b) Support costs included within the cost of activities

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Staff Costs	3,472	35,193	38,665	74,981
Grounds Maintenance	15,206	9,660	24,866	20,461
Utilities	19,121	-	19,121	20,336
	<u>37,799</u>	<u>44,853</u>	<u>82,652</u>	<u>115,778</u>

c) Governance Costs

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Human Resources	-	1,070	1,070	1,013
Democratic Services	-	3,230	3,230	3,051
Legal Costs	1,618	2,260	3,878	3,885
Financial Advice	3,298	2,860	6,158	5,316
Sundry	6,269	-	6,269	2,028
Utilities	-	1,020	1,020	-
Audit & Accountancy	4,320	-	4,320	4,530
	<u>15,504</u>	<u>10,440</u>	<u>25,944</u>	<u>19,823</u>

4. Trustees' Remuneration

No Trustee received either remuneration or out of pocket expenses during the year.

There were no employees of the Charity.

5. Staff Costs**Number of Employees**

The average number of employees during the year were:

	2011	2010
Golf Course Grounds Maintenance	-	3
Park Ranger	1	1
	<u>1</u>	<u>4</u>

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There were no higher paid employees.

The above staff are employed by Maidstone Borough Council, the corporate trustee of the Charity (see note 12). The golf course grounds maintenance staff are now employed directly by the golf course operating contractor.

Staff Costs (note 3a) include the wages and salaries, social security costs and employers pension contributions to a local government pension scheme which Maidstone Borough Council recharged to the Charity.

The Charity's above share of the employment costs in relation to the golf course grounds maintenance staff (£62,169) was reimbursed in full by Mytime Active, the management team at the Golf Course. This is reflected within Other Income in the statement of financial activities. The net cost to the Charity of employing the golf course grounds maintenance staff for the year ending 31st March 2011 was therefore £nil.

6. Tangible Fixed Assets

	Long Leasehold Land & Buildings £	Total £
Cost or Valuation		
At 1 st April 2010	1,436,141	1,436,141
Revaluations	0	0
At 31 st March 2011	1,436,141	1,436,141
Net Book Values		
At 31 st March 2011	1,436,141	1,436,141
At 31 st March 2010	1,436,141	1,436,141

The closing net book value includes assets used for:

	2011 £	2010 £
Direct Charitable Purposes	1,436,141	1,436,141

The property is held under a 999 year lease which is due to expire in 2970.

The fixed assets are used solely for direct charitable purposes and form part of the permanent endowment of the Charity.

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The golf course is revalued by Maidstone Borough Council on a five yearly cycle based on market value with the remaining properties being revalued by Maidstone Borough Council on a five year cycle based on market value subject to existing tenancies.

The most recent valuations included in the accounts are as set out below: -

- Cobtree Manor Golf Course
(Including clubhouse, messroom/garage) April 2008
- Garden Lodge/Garden Cottage April 2008
- 2 Stream Cottages April 2008
- 3 Stream Cottages April 2008
- 4 Stream Cottages April 2008

Historical Cost Information

	2011	2010
	£	£
Leasehold Land & Buildings	940,688	940,688

7. Fixed Asset Investments

	Listed Investments	Total
	£	£
Market Value at 1 st April 2010	1,288,356	1,288,356
Additions		
Revaluations	64,039	64,039
Market Value at 31 st March 2011	<u>1,352,395</u>	<u>1,352,395</u>

Net Book Values

At 31 st March 2011	1,352,395	1,352,395
At 31 st March 2010	1,288,356	1,288,356

Fixed Asset Investments

	2011	2010
	£	£
Market Valuation of listed investments	1,352,395	1,288,356
Historical cost information	<u>1,290,000</u>	<u>1,290,000</u>

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Breakdown of historical cost information:

	2011 £	2010 £
Endowment funds	1,290,000	1,290,000
	<u>1,290,000</u>	<u>1,290,000</u>

8. Creditors: Amounts Falling Due Within One Year

	Unrestricted Funds £	Endowment Funds £	2011 Total £	2010 Total £
Other Loans – Maidstone BC	-	-	-	10,460
Other creditors	-	-	-	3,209
Accruals & Deferred Income	4,320	-	4,320	4,530
	<u>4,320</u>	<u>-</u>	<u>4,320</u>	<u>18,199</u>

9. Creditors: Amounts Falling Due After More Than One Year

	Unrestricted Funds £	Endowment Funds £	2011 Total £	2010 £
Other Loans – Maidstone BC	-	-	-	-
Loans			-	10,460
Repayable in 1 year or less, or on demand (Note 7)			-	-
Repayable between 1 & 2 years			-	-
Repayable between 2 & 5 Years			-	-
			<u>-</u>	<u>10,460</u>

The loan has now been repaid in full.

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10. Reserves

	Restricted Funds	Unrestricted Funds	Revaluation Reserve	Permanent Endowmen t	Total
	£	£	£	£	£
At 1st April 2010	-	(14,894)	495,493	2,225,839	2,706,438
Revaluation of property	-	-	-	-	-
Net incoming resources	-	30,198	-	-	30,198
Increase in value of investments	-	-	-	67,204	67,204
At 31st March 2011	-	15,304	495,493	2,293,043	2,803,840

Unrestricted Funds

These comprise of funds that the trustees are free to use in accordance with the charitable objects.

Restricted Funds

These are funds that have been given for particular purposes and projects. The restricted fund relates to:

- 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.
- Mytime Active income of £62,169 to pay for the employment costs of golf course grounds maintenance staff. The income was fully spent in the year.

Revaluation Reserve

The revaluation reserve represents the amounts set aside on revaluation of the land and buildings that are held on trust to be retained for the benefit of the Charity as a capital fund.

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Permanent Endowment

The endowment fund represents those assets that must be held permanently by the Charity. Income arising on the endowment fund can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains and losses arising on the investments form part of the fund. The assets of the fund are set out below:

Permanent Endowment Assets

	2011	2010
	£	£
Long Leasehold Land & Buildings	1,436,141	1,436,141
Investments at Market Value (Note 6)	<u>1,352,395</u>	<u>1,285,151</u>
	<u>2,788,536</u>	<u>2,721,292</u>

11. Capital Commitments

Details of capital commitments at the accounting date are as follows:

	2011	2010
	£	£
Contracted for but not provided in the financial statements	0	0

12. Related Party Transactions

During the year, transactions with related parties are as follows: -

	£
Receipts	
The Cobtree Charity Trust Limited	78,636
Payments	
Maidstone Borough Council – Governance & Support Costs	108,586
Maidstone Borough Council – Debt Repayment	10,460

At 31st March 2011, the balance outstanding on the loan due to Maidstone Borough Council was zero as the loan has now been fully repaid. No interest was due on the loan.

At 31st March 2011 £19,611 (2010 £nil) was owed by Maidstone Borough Council and is included within Debtors.

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The Maidstone Borough Council is the Corporate Trustee of the Charity. In addition the Council itself owns part of the land upon which the golf course is built. The accounting arrangements between the Council and the Trust are that the Council is responsible for all receipts and payments for both the golf course and the Manor Park. At the end of each financial year the total net operating surplus or deficit of the Manor Park is transferred to the Trust accounts. For the golf course 7/9ths of the total net operating surplus or deficit 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 Council also employs the Park Ranger at the Manor Park, although the post exists solely for the benefit of the Trust and the cost of this employee is shown in the Trust accounts under the arrangements specified above.