

# AGENDA

## COBTREE MANOR ESTATE CHARITY COMMITTEE MEETING



Date: Wednesday 27 January 2016  
Time: 5.15 p.m.  
Venue: Town Hall, High Street,  
Maidstone

Membership:

Councillors Mrs Blackmore, McLoughlin  
(Chairman), Paterson, Perry and  
Mrs Wilson

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Page No.

1. Apologies for Absence
2. Notification of Substitute Members
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 (Part I) of the meeting held on 16 December 2015

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**Continued Over/:**

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**Issued on 19 January 2016**

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact Debbie Snook on 01622 602030**. To find out more about the work of the Committee, please visit [www.maidstone.gov.uk](http://www.maidstone.gov.uk)

**Alison Broom, Chief Executive, Maidstone Borough Council,  
Maidstone House, King Street, Maidstone, Kent ME15 6JQ**

8. Report of the Head of Finance and Resources - Accounts 2014/15 4 - 30

**PART II**

**To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.**

	<u>Head of Schedule 12A and Brief Description</u>	
9. Minutes (Part II) of the meeting held on 23 September 2015	3 – Financial/Business Affairs	31
10. Minutes (Part II) of the meeting held on 16 December 2015	3 – Financial/Business Affairs	32

## MAIDSTONE BOROUGH COUNCIL

### COBTREE MANOR ESTATE CHARITY COMMITTEE

#### MINUTES (PART I) OF THE MEETING HELD ON WEDNESDAY 16 DECEMBER 2015

**Present: Councillor Perry, Mrs Ring and Mrs Wilson**

107. APOLOGIES FOR ABSENCE

It was noted that apologies had been received from Councillors Mrs Blackmore, McLoughlin and Paterson.

108. NOTIFICATION OF SUBSTITUTE MEMBERS

It was noted that Councillor Mrs Ring was substituting for Councillor McLoughlin.

109. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

110. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

111. ELECTION OF CHAIRMAN

It was noted that in the absence of both the Chairman and Vice-Chairman of this Committee, a Chairman would need to be elected just for the meeting.

**RESOLVED:** That Councillor Perry be elected as Chairman for the meeting.

112. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

113. EXEMPT ITEMS

**RESOLVED:** That the Part II item on the agenda be taken in private as proposed.

114. MINUTES (PART I) OF THE MEETING HELD ON 23 SEPTEMBER 2015

**RESOLVED:** That the Minutes (Part I) of the meeting held on 23 September 2015 be approved as a correct record and signed subject to the following amendment to Minute 90 – Accounts 2014/15:-

First paragraph – delete the third and fourth sentences and insert the following:

“The audited accounts would be reported to the Committee in January 2016 for approval prior to submission to the Charity Commission. King and Taylor had been appointed to provide audit services for 2013/14 and 2014/15. However, the Company no longer provided audit services and UHY Hacker Young had been appointed as external auditors for 2014/15.

115. MINUTES (PART I) OF THE MEETING HELD ON 30 OCTOBER 2015

**RESOLVED:** That the Minutes (Part I) of the meeting held on 30 October 2015 be approved as a correct record and signed.

116. EXCLUSION OF THE PUBLIC FROM THE MEETING

**RESOLVED:** That the public be excluded from the meeting for the following items of business because of the likely disclosure of exempt information for the reason specified having applied the Public Interest Test:

**Head of Schedule 12A and  
Brief Description**

Minutes (Part II) of the meeting held on 23 September 2015	3 – Financial/Business Affairs
Minutes (Part II) of the meeting held on 30 October 2015	3 – Financial/Business Affairs
Exempt Report of the Cobtree Officer – Appointment of the New Contractor at Kent Life	3 – Financial/Business Affairs

117. MINUTES (PART II) OF THE MEETING HELD ON 23 SEPTEMBER 2015

It was noted that none of the Members present had been at the meeting on 23 September 2015 and due to the amount of factual information contained within, the Minutes (Part II) could not be approved.

**RESOLVED:** That the Minutes (Part II) of the meeting held on 23 September 2015 be deferred for consideration at the next meeting of the Committee.

118. MINUTES (PART II) OF THE MEETING HELD ON 30 OCTOBER 2015

**RESOLVED:** That the Minutes (Part II) of the meeting held on 30 October 2015 be approved as a correct record and signed.

119. EXEMPT REPORT OF THE COBTREE OFFICER - APPOINTMENT OF THE NEW CONTRACTOR AT KENT LIFE

Members considered the exempt report of the Head of Commercial and Economic Development to formalise the appointment of the new operator at Kent Life.

**RESOLVED:** That the Head of Mid Kent Legal Services be authorised to sign the lease and management agreement with the new operator for the management of Kent Life following their successful tender bid.

120. DURATION OF MEETING

5.15 p.m. to 5.25 p.m.

# Agenda Item 8

## **COBTREE MANOR ESTATE TRUST COMMITTEE**

**27<sup>th</sup> January 2016**

Is the final decision on the recommendations in this report to be made at this meeting?

**Yes**

### **Accounts 2014/15**

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

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

1. It is recommended that the Committee approves the Annual Report and Financial Statements for the financial year 2014/15.

#### **This report relates to the following corporate priorities:**

- Keeping Maidstone Borough an attractive place for all – Ensuring that there are good leisure and cultural attractions.

#### **Timetable**

<b><i>Meeting</i></b>	<b><i>Date</i></b>
Cobtree Manor Estate Trust Committee	27 <sup>th</sup> January 2016

# Accounts 2014/15

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 It is a requirement of the Charity Accounting Statement of Recommended Practice to produce an Annual Report and Financial Statements. These are shown at **Appendix A**.
- 1.1 The accounts are required to be formally approved and signed before they are submitted to the Charity Commission, which must be done before 31st January 2016.
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## 2. INTRODUCTION AND BACKGROUND

- 2.1 In September 2015 the Committee received the draft Report and Financial Statements for the financial year 2014/15.
- 2.2 The audit of the Report and Financial Statements is now complete. As was reported in September the audit was undertaken by UHY Hacker Young, who have taken over as external auditors to the Trust from King & Taylor.
- 2.3 Attached at **Appendix A** are the audited 2014/15 Report and Financial Statements from the external auditors.
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## 3. ACCOUNTS 2014/15

- 3.1 As referenced at 2.2 above the external auditors to the Trust have changed for this year. The handover to the new auditors took place after the close of the financial year, which meant that the audit process took somewhat longer than previous years, as they had to familiarise themselves with the background to the Trust and gain an understanding of the financial and operational arrangements.
- 3.2 The auditors have indicated that they intend to issue an unmodified audit opinion. However the accounts shown at **Appendix A** do contain a number of significant differences to the draft accounts previously seen by the Committee. It should be stressed that these changes are primarily of a technical nature to ensure that the accounts more accurately reflect the impact of the capital expenditure and funding of the Master Plan work at the Manor Park. It should be noted that there is no impact on the financial resources of the Trust, and that no previous operational decisions made are affected.
- 3.3 The draft Accounts showed capital expenditure within the Statement of Financial Activities. The auditors have recommended that this should have instead been shown on the Balance Sheet under Fixed Assets. As there was capital expenditure in 2013/14 the prior year figures have also been adjusted to reflect this. Adjustments have also been made to ensure that

the treatment of the capital funding matches that for the expenditure.

- 3.4 The audit also identified that a capital invoice for £50,781 relating to 2014/15 was paid in 2015/16 and not accrued for, so the figures have been adjusted to reflect this.
- 3.5 The overall consequence of the adjustments is that the Trust funds have increased by £919,751 compared to the draft accounts. The analysis of this is as follows:

	<b>£</b>
Capital Expenditure now on the Balance Sheet	1,012,986
Miscellaneous adjustment	1,250
Balance of capital funding due	(94,485)
<b>Total movement</b>	<b>919,751</b>

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#### **4. AVAILABLE OPTIONS**

- 4.1 There are no other available options as there is a legal requirement to produce an Annual Report and Financial Statements.

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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 2016.

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#### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 Not applicable.

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

- 7.1 The Report and Financial Statements will be submitted to the Charity Commission for publication on their website.
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**8. 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>	None	
<b>Financial</b>	The financial implications are outlined in the report.	Section 151 Officer & Finance Team
<b>Staffing</b>	None	
<b>Legal</b>	None	
<b>Equality Impact Needs Assessment</b>	None	
<b>Environmental/Sustainable Development</b>	None	
<b>Community Safety</b>	None	
<b>Human Rights Act</b>	None	
<b>Procurement</b>	None	
<b>Asset Management</b>	None	

**9. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix A: Report and Financial Statements 2014/15

**10. BACKGROUND PAPERS**

None.

**Charity No. 283617**

**THE CHARITY KNOWN AS  
"COBTREE MANOR ESTATE"**

**Corporate Trustee Report and Financial Statement  
for the Year Ended 31 March 2015**

**Trust Information**

<b>Corporate Trustee</b>	Maidstone Borough Council
<b>Trustees</b>	There are no individual Trustees. All elected Members of the Maidstone Borough Council perform the duties of Trustees, but are not trustees in their own right. A full list of Members is available on request.
<b>Charity Number</b>	283617
<b>Principal Office</b>	Maidstone Borough Council Maidstone House King Street Maidstone, Kent. ME15 6JQ
<b>Auditors</b>	UHY Hacker Young 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 King Street Maidstone, Kent. ME15 6JQ

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Auditors' Report

Statement of Financial Activities

Balance Sheet

Notes forming part of the financial statements

## **Trustees Report**

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<sup>st</sup> March 2015.

### **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****Changes since the last Report**

The Cobtree Charity Committee continues to comprise of four Members of the Cabinet. The Members of the Committee during the reporting year were Councillors John Perry (Chairman), Annabelle Blackmore, Steve McLoughlin, and Malcolm Greer. In common with the operation of all Cabinet decisions, those of the Charity Committee were subject to the scrutiny of other Council Members. No decisions of the Committee relating to the Cobtree Estate were called in for scrutiny.

**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.

**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 following activities and works were completed on the Cobtree Manor Park Golf Course during the reporting year to enhance the attractiveness of the facility and to ensure its availability to the general public:

<b>Year</b>	<b>Rounds Played</b>	<b>No. of Registrations</b>
<b>2008/2009</b>	<b>40,187</b>	<b>875</b>
<b>2009/2010</b>	<b>43,913</b>	<b>952</b>
<b>2010/2011</b>	<b>41,784</b>	<b>597</b>
<b>2011/2012</b>	<b>43,516</b>	<b>498</b>
<b>2012/2013</b>	<b>36,006</b>	<b>422</b>
<b>2013/2014</b>	<b>36,923</b>	<b>574</b>
<b>2014/2015</b>	<b>37,482</b>	<b>405</b>

Number of Registrations is 405 (please note this is covered fully under the Privilege Card).

The Privilege Card costs £40 and allows holders to get reduced green fee rates and wider scope for bookings at any of Mytime Active run courses, as well as other special offers on food and in the pro shop throughout the year.

The golf course performance continued to improve in 2014/2015. The introduction of a foot golf facility has proven popular and has assisted in raising the profile of the main course.

As in past years, the golf course continues to remain a priority for the Charity. Future investment will continue to be in partnership with the contract operator; the objective is to ensure that the quality of the course remains protected and thus ensure that the course remains successful and accessible to the people of Maidstone and the surrounding area.

The contract payment to the Council continued to fund the maintenance of the Estate and was be used to contribute towards the improvements programme and maintenance of the Cobtree Manor Park.

The current contract for running the facility ends in ... The procurement process for this has begun with the aim of securing long term future investment to ensure the success of the facility.

### **Cobtree Manor Park**

The following works and activities were carried out to enhance the appeal of Cobtree Manor Park to attract a greater numbers of visitors.

Volunteers continue to contribute effort to help with both practical tasks. Towards the end of the accounting year funding was granted for a new Kent Sheds project. This is

a charitable organisation that aims to support the socially isolated by providing workshops from which they can carry out practical tasks such as making bird boxes, or undertaking basic repair works or conservation tasks. The Elephant House at Cobtree was identified as an excellent potential hub for a Maidstone group and a funding bid was applied for by the Medway Valley Countryside Partnership. This was successful and the group aim to renovate the building and start a new sheds project. The group will work to support the park in lieu of rent for the Elephant House. The building will become a shared facility and a hub for volunteering and community activities in the park.

The events programme included 27 events (mostly themed guided walks). These were organised by Medway Valley Countryside Partnership with a small charge of £3 per head being made to cover the costs and help encourage those who had booked to attend. Three thousand free information leaflets advertising the events programme and providing information on the park were designed, printed and distributed.

The following works relating to the park were carried out:

- Build of phase 3 of the Master Plan Project, the new visitor centre.
- The tenants of the kiosk, 'Cobtree Cabin' finished their contract and left the park in March 2015.
- Creation of the final sculpture by Jason Mulligan for the sculpture trail.
- Continued renovation of the shrub beds.

There were very few incidents of crime or vandalism over the reporting year and two incidents involving collisions on the horse ride between riders and walkers and cyclists and riders, and one accident involving a young child on a cycle. The number of accidents in the park remains low for the number of visitors.

### **Cobtree Footfall Totals**

Unfortunately a technical fault led to a loss of data for six months of 2014, the machinery has now been repaired. Figures show a decrease in footfall for the first quarter of 2015. This could be due to various factors including advanced publicity of parking charges and weather changes with January 2015 being wetter than normal resulting in lower figures, March 2014 being sunnier than average, hence the high visitor figures for that month.



**Cobtree footfall totals**

	2012	Quarterly	2013	Quarterly	% on previous year	2014	Quarterly	% on previous year	2015	Quarterly	% on previous year
Jan			14675			18133			13163		
Feb			12092			17626			17474		
Mar			12144	38911		24503	60262	+ 35	19891	50528	-19
Apr			19012			28012					
May			26325			24733					
Jun	10347		27906	73243		25971	78716	+ 7			
Jul	18509		32277			Data missing					
Aug	25461		38100								
Sep	20268	64238	23070	93447	+ 31						
Oct	20745		18605								
Nov	19296		15869								
Dec	13255	53296	13767	48241	-9						
<b>Total</b>	<b>127881</b>	<b>117534</b>	<b>253842</b>	<b>253842</b>		<b>138978</b>	<b>138978</b>		<b>50528</b>	<b>50528</b>	

**Kent Life**

Following the folding of the leases and between Continuum, Kent Life, Kent County Council and the Museum of Kent Life Trust the Kent Life attraction came back under the direct management of the Cobtree Manor Estate Trust in November 2013. An interim management agreement was agreed with Continuum Kent Life Limited to continue with the running of the site as a heritage farm park attraction. This agreement expires in November 2015. The facility has been tendered and the procurement exercise should be completed by the end of September 2015.

<b>Year</b>	<b>Visitor numbers</b>
2011/2012	136,000
2012/2013	116,940
2013/2014	123,715
2014/2015	129,717

Visitor numbers and the profitability of the site have continued to improve with the facility now generating a surplus enabling reinvestment and improvements to the site to be undertaken.

**Property**

The following figures were spent on maintenance:

- Planned maintenance £5,196
- Reactive maintenance £2,282

The largest costs were for the following:

- Gutter cleaning and electrical maintenance and testing.

**Additional Volunteer Help and Intangible Income**

The volunteer help given on the estate is referred to above; in addition to this the Kent Wildlife Trust volunteers and the Friends of Kent Life and Cobtree Young Farmers continued to play an important role providing voluntary assistance to support activities across the estate.

**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 it 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 Park Ranger at the Manor Park and a Cobtree Officer. These posts exist solely for the benefit of the Charity and the cost for each is shown in the Charity accounts under the arrangements specified above. Other officers of the Council are engaged from time to time in duties specifically related to the operation and management of the Estate; their time and associated costs are apportioned accordingly to the Cobtree accounts. Additional labour for litter picking and managing the park out of hours at weekends and evenings during school holidays between Easter and the end of September has also been introduced due to the increase in visitor numbers.

### **FINANCIAL REVIEW**

#### **Financial Review and Investment Policy**

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.

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 Trustee has now determined its preferred future development option for the Cobtree Manor Park; it is now seeking to identify sources of funding to implement this option.

#### **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. Over the next year both the Kent Life contract and the Golf Course contract will be re-procured to ensure the charity continues to receive best value for its investments. In future a master plan for the estate as a whole will need to be devised.

**Trustees' 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 1993. 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 on ..... And signed on its behalf by

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

**Cobtree Manor Estate**  
**For the year ended 31 March 2015**

**STATEMENT OF FINANCIAL ACTIVITIES AND SUMMARY INCOME & EXPENDITURE ACCOUNT**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2015 Total £	2014 Total (Restated) £
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds:</b>						
Voluntary income		-	412,500	-	412,500	-
Investment income		54,434	-	-	54,434	64,299
Will Trust		-	49,390	-	49,390	44,390
Rental income		26,155	-	-	26,155	26,575
<b>Incoming resources from charitable activities:</b>						
Golf club revenue		148,425	-	-	148,425	197,010
<b>Other incoming resources:</b>						
Other income		12,000	-	-	12,000	-
<b>Total Incoming Resources</b>		<b>241,014</b>	<b>461,890</b>	<b>-</b>	<b>702,904</b>	<b>332,274</b>
<b>RESOURCES EXPENDED</b>						
Costs of charitable activities		209,508	39,962	-	249,470	248,807
Governance Costs		7,662	9,428	-	17,090	24,722
<b>Total Resources Expended</b>	<b>4</b>	<b>217,170</b>	<b>49,390</b>	<b>-</b>	<b>266,560</b>	<b>273,528</b>
Net Incoming/(Outgoing) resources before transfers		23,844	412,500	-	436,344	58,745
Transfers between funds		-	-	-	-	-
<b>Net Incoming/(Outgoing) resources before revaluations</b>		<b>23,844</b>	<b>412,500</b>	<b>-</b>	<b>436,344</b>	<b>58,745</b>
Gains/(losses) on revaluations & disposal of investment fixed assets		-	-	-	-	-
Gains on fixed assets		-	-	-	-	1,074,860
Gains/(losses) on investment assets		-	-	49,006	49,006	146,235
<b>Net movement in funds</b>		<b>23,844</b>	<b>412,500</b>	<b>49,006</b>	<b>485,350</b>	<b>1,279,840</b>
Fund balances brought forward		304,009	-	4,180,867	<b>4,484,876</b>	3,205,036
Fund balances carried forward		<b>327,853</b>	<b>412,500</b>	<b>4,229,873</b>	<b>4,970,226</b>	<b>4,484,876</b>

**Cobtree Manor Estate**  
**For the year ended 31 March 2015**

**Balance Sheet**  
**as at 31 March 2015**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2015 £	Total 2014 Restated £
<b>Fixed Assets</b>						
Tangible assets	7	94,485	412,500	3,017,000	<b>3,523,985</b>	3,176,946
Investments	8			1,212,873	<b>1,212,873</b>	1,163,867
		94,485	412,500	4,229,873	<b>4,736,858</b>	4,340,813
<b>Current Assets</b>						
Cash and bank in hand		723,968			<b>723,968</b>	309,563
Debtors	9				<b>0</b>	210,000
		723,968	0	0	<b>723,968</b>	519,563
<b>20 Creditors:Amounts falling due within one year</b>	<b>10</b>	<b>(490,600)</b>	0	0	<b>(490,600)</b>	(375,500)
<b>Net current assets(liabilities)</b>		<b>233,368</b>	0	0	<b>233,367</b>	144,063
<b>Total assets less current liabilities</b>		327,853	412,500	4,229,873	4,970,226	4,484,876
<b>Creditors:Amounts falling due in more than one year</b>		0	0		<b>0</b>	-
<b>Net assets</b>		<b>327,853</b>	<b>412,500</b>	<b>4,229,873</b>	<b>4,970,226</b>	4,484,876
<b>Reserves</b>						
<b>Charity's Funds</b>	<b>11</b>	<b>327,853</b>	<b>412,500</b>	<b>4,229,873</b>	<b>4,970,226</b>	4,484,876

## Cobtree Manor Estate

**Notes to the financial statements  
for the year ended 31 March 2015****1. Accounting Policies****1.1. Basis of Preparation**

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 Policy**

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.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funder where the asset acquired or created is held for a specific purpose.

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 Statement of Financial Activities (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.

**Cobtree Manor Estate****Notes to the financial statements  
for the year ended 31 March 2015****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

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 on an annual basis to ensure that the value of the assets is still appropriate.

**1.6 Investments**

Listed investments are stated at market value.

Realised gains and losses in investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the SOFA in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the SOFA based on their market value at year end.

**2. Voluntary Income**

This is income received by the Trust in respect of donated assets, in this case the Kent Life attraction.

**3. Resources Arising**

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



## Cobtree Manor Estate

Notes to the financial statements  
for the year ended 31 March 2015**4. Analysis of Resources Expended****a) Cost of activities in furtherance of the charity's objective**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2015 £</b>	<b>Total 2014 (Restated) £</b>
Staff Costs	34,685		34,685	24,874
Property Repairs	32,497		32,497	38,784
Grounds Maintenance	110,300	24,791	135,091	113,767
Utilities	32,026	15,171	47,197	71,382
	<b>209,508</b>	<b>39,962</b>	<b>249,470</b>	<b>248,807</b>

**b) Governance Costs**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2015 £</b>	<b>Total 2014 (Restated) £</b>
Human Resources	0	871	871	1,030
Legal Costs	1,769	2,920	4,689	12,190
Financial Advice	1,418	5,637	7,055	6,777
Auditors' Remuneration	4,475	0	4,475	4,725
	<b>7,662</b>	<b>9,428</b>	<b>17,090</b>	<b>24,722</b>
<b>Total Resources Expended</b>	<b>217,170</b>	<b>49,390</b>	<b>266,560</b>	<b>273,529</b>

**5. Trustees' Remuneration**

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

There were no employees of the Charity.

**6. Staff Costs**

The Council employs the Park Ranger at the Manor Park and a Cobtree Officer (within the Costs of activities above - see note 4). The posts exist solely for the benefit of the Charity and the cost of their employment is shown in the Charity accounts under the arrangements specified above.

## Cobtree Manor Estate

Notes to the financial statements  
for the year ended 31 March 2015**Number of Employees**

The average number of employees during the year was:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Manor Park Grounds Maintenance	2	2
Park Ranger	1	1
	<u>3</u>	<u>3</u>

There were no higher paid employees.

The aggregate payroll costs of these persons were as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages & Salaries	<u>27,213</u>	<u>24,874</u>

The above staff are employed by Maidstone Borough Council, the corporate trustee of the Charity (see note 13).

**7. Endowment Funds - Tangible Fixed Assets**

	<b>Long Leasehold Land &amp; Buildings £</b>	<b>Investment Properties £</b>	<b>Total</b>
<b>Cost or Valuation</b>			
At 1st April 2014	2,541,945	635,000	3,176,945
Additions	347,040		347,040
Revaluations	0		0
At 31st March 2015	<u><b>2,888,985</b></u>	<u><b>635,000</b></u>	<u><b>3,523,985</b></u>

**Net Book Values**

At 31st March 2015	2,888,985	635,000	3,523,985
At 31st March 2014	2,541,945	635,000	3,176,945

## Cobtree Manor Estate

**Notes to the financial statements  
for the year ended 31 March 2015**

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 revalued by Harrison's Chartered Surveyors on a five yearly cycle. The next valuation is due in April 2018.

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

- Cobtree Manor Golf Course  
(Including clubhouse, messroom/garage) April 2013
- Kent Life Attraction April 2014

### **Prior Year Adjustment**

Following a change of auditor it was identified that certain qualifying fixed assets with respect to land and buildings had not been capitalised in 2014 and 2015.

A total of £296,746 was treated as an expense for the year within costs of charitable activities in 2013 and a further £369,200 was expended during 2014. A prior year adjustment for £665,946 has therefore been made. The comparative figures have been restated in these accounts and the effect of the prior year adjustment is that fixed assets within the Endowment Funds have been increased by £665,946.

### **Assets Under Construction**

A programme of major improvement works is underway in Cobtree Manor Park which include the construction of a new play area and visitor centre/café. Further details are shown in the Note 12 – Capital Commitments. The closing net book value for these works is as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Assets Under Construction	1,012,986	665,946

These figures are included within Note 7 – Tangible Fixed Assets.

## Cobtree Manor Estate

Notes to the financial statements  
for the year ended 31 March 2015**8. Endowment Funds - Investments**

	<b>Listed Investments £</b>
Market Value at 1st April 2014	1,163,867
Additions	
Withdrawals	(210,000)
Revaluations	259,006
Market Value at 31st March 2015	<u>1,212,873</u>

**Net Book Values**

At 31st March 2015	1,212,873
At 31st March 2014	1,163,867

**Listed Investments 2015**

Market Valuation of Listed Investments	1,212,873
Historical Cost Information	784,000

The investment properties are held to generate a rental income stream for the charity.

All properties revalued by Harrison's Chartered Surveyors on a five yearly cycle based on market value with the remaining properties being revalued by Harrison's Chartered Surveyors on a five year cycle based on market value subject to existing tenancies. The next valuation is due in April 2018.

All investment assets are held in the UK.

**9. Debtors**

	<b>2015 £</b>	<b>2014 £</b>
Other Debtors	0	210,000
	<u>0</u>	<u>210,000</u>

## Cobtree Manor Estate

Notes to the financial statements  
for the year ended 31 March 2015

## 10. Creditors: Amounts Falling Due Within One Year

	Unrestricted Funds	Endowment Funds	2015 Total	2014 Total (Restated)
	£	£	£	£
Other Creditors - Maidstone BC	485,875	0	485,785	370,775
Accruals & Deferred Income	4,725	0	4,725	4,725
	<u>490,600</u>	<u>0</u>	<u>490,600</u>	<u>375,500</u>

## 11. Analysis of Funds

	At 1st April 2014	Incoming Resources	Resources Expended	Other Recognised Gains/Losses	At 31st March 2015
	£	£	£	£	£
Unrestricted Income Fund	304,009	23,844			327,853
Restricted Income Fund	0	412,500			412,500
Endowment Funds	4,180,867		(210,000)	259,006	4,229,873
	<u>4,484,876</u>	<u>436,344</u>	<u>(210,000)</u>	<u>259,006</u>	<u>4,970,226</u>

**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.

**Permanent Endowment**

The endowment fund represents those assets that must be held permanently by the Charity, and investment properties held to generate a rental income stream. 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 above at notes 7 and 8.

## Cobtree Manor Estate

**Notes to the financial statements  
for the year ended 31 March 2015**

**12. Capital Commitments**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Authorised, but not contracted as at 31 <sup>st</sup> March 2015	0	397,500

The Charity has approved a Master Plan for the enhancement of the Cobtree Manor Park. The works will be carried out in three phases, with the first two phases now complete. It is anticipated that the final phase will be completed by Spring 2015.

- Phase 1: Play Area
- Phase 2: Parks works
- Phase 3: Visitor Centre/Cafe works

The Capital Commitment will be financed by the release of £1,065,000 from the endowment fund, which was secured on 17th May 2012, by Order of the Charity Commission. The Trust has also received a donation of £300,000 from Cobtree Charity Trust Ltd towards the cost of the Visitor Centre.

The Commission directs the Trustee to replace the sum withdrawn by setting aside for 30 years thirtieth part of the sum spent.

**13. Related Party Transactions**

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

	<b>£</b>
<b>Receipts</b>	
The Cobtree Charity Trust Limited	£348,275
<b>Payments</b>	
Maidstone Borough Council – Governance & Support Costs	£266,560

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.

**Cobtree Manor Estate**

**Notes to the financial statements  
for the year ended 31 March 2015**

**14. Controlling Interest**

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

## Cobtree Manor Estate

Notes to the financial statements  
for the year ended 31 March 2015

## 15. STATEMENT OF FINANCIAL ACTIVITIES BY FUND TYPE

	Analysis of 2015 Total			Analysis of 2014 Total (Restated)		
	Unrestricted £	Restricted £	Endowment £	Unrestricted £	Restricted £	Endowment £
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds:</b>						
Voluntary Income		412,500				
Investment income	54,434			64,299		
Will Trust		49,390			44,390	
Rental income	26,155			26,575		
<b>Incoming resources from charitable activities:</b>						
Golf club revenue	148,425			197,010		
<b>Other incoming resources:</b>						
Other income	12,000					
<b>Total Incoming Resources</b>	<b>241,014</b>	<b>461,890</b>	<b>0</b>	<b>287,884</b>	<b>44,390</b>	<b>0</b>
<b>RESOURCES EXPENDED</b>						
Costs of charitable activities	209,508	39,962		225,872	22,935	
Governance Costs	7,662	9,428		3,267	21,455	
<b>Total Resources Expended</b>	<b>217,170</b>	<b>49,390</b>	<b>0</b>	<b>229,139</b>	<b>44,390</b>	<b>0</b>
Net Incoming/(Outgoing) resources before transfers	23,844	412,500	0	58,745	0	0
Transfers between funds						
<b>Net Incoming/(Outgoing) resources before revaluations</b>	<b>23,844</b>	<b>412,500</b>	<b>0</b>	<b>58,745</b>	<b>0</b>	<b>0</b>
Gains and (losses) on revaluations of fixed assets for use in the charity						1,074,860
Gains and (losses) on investment assets			49,006			146,235
<b>Net movement in funds</b>	<b>23,844</b>	<b>412,500</b>	<b>49,006</b>	<b>58,745</b>	<b>0</b>	<b>1,221,095</b>
Fund balances brought forward	304,009		4,180,867	245,264	0	2,959,772
Fund balances carried forward	<b>327,853</b>	<b>412,500</b>	<b>4,229,873</b>	<b>304,009</b>	<b>0</b>	<b>4,180,867</b>



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