

**COBTREE MANOR ESTATE
TRUST COMMITTEE****27th January 2016**

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

Yes**Accounts 2014/15**

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

Meeting	Date
Cobtree Manor Estate Trust Committee	27 th 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:

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

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.

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 31st January 2016.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Not applicable.

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

Issue	Implications	Sign-off
Impact on Corporate Priorities	None	
Risk Management	None	
Financial	The financial implications are outlined in the report.	Section 151 Officer & Finance Team
Staffing	None	
Legal	None	
Equality Impact Needs Assessment	None	
Environmental/Sustainable Development	None	
Community Safety	None	
Human Rights Act	None	
Procurement	None	
Asset Management	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.