

APPENDIX 1

Cobtree Manor Estate

Trustee's Report and Financial Statements

For the Year Ended 31 March 2021

Cobtree Manor Estate

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Cobtree Manor Estate

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2021**

| | |
|----------------------------------|---|
| Trustees | Maidstone Borough Council There are no individual trustees. All elected members of the Maidstone Borough Council perform duties of trustees but are not trustees in their own right. A full list of members is available on request. |
| Charity registered number | 283617 |
| Principal office | Maidstone Borough Council Maidstone House King Street Maidstone Kent ME15 6JQ |
| Independent auditors | UHY Kent LLP t/a UHY Hacker Young Chartered Accountants Statutory Auditors Thames House, Roman Square Sittingbourne Kent ME10 4BJ |
| Bankers | All funds are managed by Maidstone Borough Council at: Lloyds Bank plc, City Office Bailey Drive Gillingham Kent ME5 0LS |
| Solicitors | Head of Legal Partnership Mid-Kent Legal Services Maidstone Borough Council Maidstone House Maidstone Kent ME15 6JQ |

Cobtree Manor Estate

Trustee's Report

For the Year Ended 31 March 2021

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 March 2021.

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

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.

Cobtree Manor Estate

Trustee's Report

For the Year Ended 31 March 2021

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;
- 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

| Year | Rounds Played |
|-----------|---------------|
| 2009/2010 | 43,913 |
| 2010/2011 | 41,784 |
| 2011/2012 | 43,516 |
| 2012/2013 | 36,006 |
| 2013/2014 | 36,923 |
| 2014/2015 | 37,482 |
| 2015/2016 | 39,927 |
| 2016/2017 | 40,593 |
| 2017/2018 | 35,972 |
| 2018/2019 | 36,808 |
| 2019/2020 | 26,006 |
| 2020/2021 | 27,281 |

Rounds played in 2020/2021 was 27,281, which is a slight increase on the number from 2019/2020. This is especially significant considering the course was not open for the full 12 months as a result of the Covid-19 pandemic.

The course was closed for approximately 26 weeks of 2020/2021 because of multiple lockdown periods. Golf was one of the first leisure activities that could be done as each lockdown period was eased, so in its open periods Cobtree was a very popular attraction, hence achieving 27,281 rounds in six months of allowable trade.

When the course could re-open it had to do so with limited food and beverage options, limited events and no large functions. This hampered secondary trade but fortunately it did not reduce the amount of golf that was played.

The golf course attracted lots of players who had not played before or who had not played for a while. The operator hopes to capitalise on this in the recovery period and retain these new visitors as regular customers.

Cobtree Manor Park

The park was awarded a Green Flag Award for 2020/2021.

The park had record visitor numbers in 2020 as a result of the Covid-19 pandemic. With restrictions limiting where people could go and what they could do, the park became a very busy destination every day. The management team changed some of the park operations to ensure social distancing and compliance with changes to government restrictions.

Cobtree Manor Estate

Trustee's Report

For the Year Ended 31 March 2021

With financial uncertainty across the rest of the estate, larger projects had to be put on hold, but investment was made into additional overflow car parking space, bollards to prevent unauthorised parking and automatic gates which have removed the need for ongoing security costs.

The staff at the park have been amalgamated with the parks and open spaces staff at the council who manage and oversee the other parks in the borough. This reduces the cost to CMEC and provides a more resilient and diverse team that CMEC can rely upon and be a part of.

A varied programme of events and activities delivered by the park team and partner organisations has been offered throughout the year. These included family-friendly, nature and wildlife themed events and the popular Easter and Halloween trails, which each attracted more than 150 participants.

New for 2019 was a zoo memories day which commemorated the history of the park and reminded new generations that it was once Maidstone Zoo. The day and the publicity period leading up to it enabled people to share memories and photographs from yesteryear. It attracted many elderly residents and visitors and led to some emotional reunions and an enjoyable trip down memory lane.

The increasing appeal of Cobtree Manor Park has led to a steady increase of vehicle traffic on the site since 2015. In spring 2019 the car park development works were completed. Tarmac roadways and compacted spaces for parking replaced the dusty gravel car park that was there previously.

Throughout 2019 we have seen the benefits of this work and so have customers. The new car park makes the site far more accessible for everyone in the community and makes the park a much more enjoyable and appealing place to journey to.

Car park income totalled £85,074 for 2019/20 Financial Year which is 2.2% down on 2018/19, although for the last two weeks of March 2020 the Park was closed due to the COVID national lockdown.

Kent Life

As a popular leisure, hospitality and tourism attraction in the south east, Kent Life inevitably suffered as a result of the pandemic. It was forced to close in March 2020 and re-opened in July 2020 with restrictions in place.

Some events were delivered to reduced audiences in the summer of 2020, but in December 2020 a subsequent lockdown forced another closure which disrupted the Christmas and winter events programme. The venue had to remain closed for the remainder of the 2020/2021 financial year.

Additional Volunteer Help and Intangible Income

The usual volunteer help given on the estate is referred to above. In 2020 the majority of this help was prevented because of restrictions explicitly preventing it, or because the individuals involved did not feel safe and confident enough for their groups to meet.

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 its 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 Manager who jointly manages Mote Park and the Manor Park. A park ranger employed by the council is assigned to the Manor Park also. These posts exist as part of a service level agreement for parks and open spaces management of

Trustee's Report**For the Year Ended 31 March 2021**

Cobtree Manor Park, the total cost of which is shown in the Charity accounts under the arrangements specified above. When required, additional labour for covering ranger holiday and some weekends in the summer season is also paid for by the Charity.

Other officers of the Council are engaged from time to time in duties specifically related to the operation and management of the Estate. They are not part of the aforementioned service level agreement and their time and associated costs are apportioned accordingly to the Cobtree accounts.

Full details of the financial impact of these related party transaction is provided in note 22 to the financial statements.

FINANCIAL REVIEW**Financial Review**

Income for the year amounted to £463k, a slight decrease on total income of £472k in the previous year. All main income classes shown on the Statement of Financial Activities ("SoFA") remained consistent, although within the heading for income from charitable activities there were reductions in Kent Life income and a rise in car park and golf course income.

Charitable costs rose to £500k from £445k, with the increase largely attributable to increased spend on repairs and maintenance. The additional spend included some significant one-off items such as the installation of the new automatic gates and new play equipment, as well as other play area repairs that were needed.

Before gains reported on investments this meant the result for the year was a deficit of £36k (2020: surplus of £27k). The £155k gain on investments (2020: loss of £193k) brings net income for the year per the SoFA to £119k (2020: net expenditure of £165k). The gain on investments represents the movement in the year on the charity's listed investment securities, as shown in note 15.

The final movement in funds for the year relates to fixed asset revaluations. The carrying value of the fixed assets has been decreased by £60k to reflect the latest valuations. The overall movement in funds was therefore an increase of £59k (2020: decrease of £785k).

The basic net surplus of income over expenditure, before the investment and revaluation movements, 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.

The Balance sheet shows net assets at 31 March 2021 of £4.44m, up from £4.38m at the end of the prior year. Much of this value is related to the charity's tangible fixed assets and other investments held in endowment funds, which comprise £4.12m of the total. The remaining funds sit as unrestricted free reserves of £291k and restricted funds of £32k.

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.

Trustee's Report

For the Year Ended 31 March 2021

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. In future a master plan for the estate as a whole will need to be devised.

TRUSTEE'S 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 2011. 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 and signed on its behalf by

Councillor Patrik Garten
Chairman of the Cobtree Manor Estate Charity Committee

Date:

Independent Auditors' Report to the Members of Cobtree Manor Estate

Opinion

We have audited the financial statements of Cobtree Manor Estate (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustee are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Members of Cobtree Manor Estate (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustee's Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the charity and not-for-profit sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Cobtree Manor Estate

Independent Auditors' Report to the Members of Cobtree Manor Estate (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. As a result there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House, Roman Square
Sittingbourne
Kent
ME10 4BJ

Date:

UHY Kent LLP t/a UHY Hacker Young are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Cobtree Manor Estate

Statement of financial activities
For the Year Ended 31 March 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|------|------------------------------------|-------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 3 | 576 | 26,465 | - | 27,041 | 43,483 |
| Charitable activities | 4 | 352,040 | - | - | 352,040 | 327,216 |
| Other trading activities | 5 | 47,771 | - | - | 47,771 | 54,438 |
| Investments | 6 | 36,155 | - | - | 36,155 | 47,575 |
| Total income and endowments | | 436,542 | 26,465 | - | 463,007 | 472,712 |
| Expenditure on: | | | | | | |
| Charitable activities | 7 | 396,552 | 26,465 | 76,547 | 499,564 | 445,633 |
| Total expenditure | | 396,552 | 26,465 | 76,547 | 499,564 | 445,633 |
| Net income/(expenditure) before net gains/(losses) on investments | | 39,990 | - | (76,547) | (36,557) | 27,079 |
| Net gains/(losses) on investments | | - | - | 155,245 | 155,245 | (192,574) |
| Net income/(expenditure) | | 39,990 | - | 78,698 | 118,688 | (165,495) |
| Transfers between funds | 20 | (23,979) | 23,979 | - | - | - |
| Net movement in funds before other recognised gains/(losses) | | 16,011 | 23,979 | 78,698 | 118,688 | (165,495) |
| Other recognised gains/(losses): | | | | | | |
| Losses on revaluation of fixed assets | | - | - | (60,000) | (60,000) | (620,000) |
| Net movement in funds | | 16,011 | 23,979 | 18,698 | 58,688 | (785,495) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 274,716 | 8,393 | 4,096,849 | 4,379,958 | 5,165,453 |
| Net movement in funds | | 16,011 | 23,979 | 18,698 | 58,688 | (785,495) |
| Total funds carried forward | 20 | 290,727 | 32,372 | 4,115,547 | 4,438,646 | 4,379,958 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 26 form part of these financial statements.

Cobtree Manor Estate

Balance Sheet
As at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 2,552,165 | 2,716,564 |
| Investments | 15 | 825,393 | 670,148 |
| Investment property | 14 | 1,000,000 | 1,010,000 |
| | | <u>4,377,558</u> | <u>4,396,712</u> |
| Current assets | | | |
| Debtors | 16 | 257,914 | 130,333 |
| Cash at bank and in hand | | 242,668 | 247,484 |
| | | <u>500,582</u> | <u>377,817</u> |
| Creditors: amounts falling due within one year | 17 | (304,461) | (194,996) |
| Net current assets | | <u>196,121</u> | <u>182,821</u> |
| Total assets less current liabilities | | <u>4,573,679</u> | <u>4,579,533</u> |
| Creditors: amounts falling due after more than one year | 18 | (135,033) | (199,575) |
| Total net assets | | <u><u>4,438,646</u></u> | <u><u>4,379,958</u></u> |
| Charity funds | | | |
| Endowment funds | 20 | 4,115,547 | 4,096,849 |
| Restricted funds | 20 | 32,372 | 8,393 |
| Unrestricted funds | 20 | 290,727 | 274,716 |
| Total funds | | <u><u>4,438,646</u></u> | <u><u>4,379,958</u></u> |

The financial statements were approved and authorised for issue by the Trustee and signed on their behalf by:

Councillor Patrik Garten

Chairman of the Cobtree Manor Estate Charity Committee

Date:

The notes on pages 12 to 26 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

1. General information

Cobtree Manor Estate is an unincorporated charity with the charity number 283617.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (second edition) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective March 2018), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Cobtree Manor Estate meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern.

The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Shortly before the 31 March 2020 year end, the COVID-19 pandemic struck and so the trustees have carefully considered the impact of COVID-19 on their assessment.

Changes to operations

Cobtree operators began to alter their operating arrangements from 16 March 2020 onwards until, under instruction from the Government, they closed and ceased operations on 23 March 2020.

Cobtree Manor Park Golf Course had been closed for 58 days but is now operating at full capacity although the clubhouse, bar and restaurant remained closed. The majority of the staff remained on furlough but a sufficient number returned to supervise the venue and the people on site. The course and clubhouse were again required to close by law in November 2020. They remained closed until March 2021, when the course was able to re-open. The clubhouse re-opened, with restrictions in May 2021, and re-opened fully in July 2021.

Since closing on 23 March 2020, Planning Solutions, the operator of Kent Life, had furloughed all staff apart from two team members who had been on site every day checking the premises and caring for the animals. Kent Life re-opened on 4 July 2020 and remained open until December 2020 when it was required by law to close again. It re-opened in stages between March 2021 and July 2021 until all aspects were open again as usual.

Cobtree Café had altered the Café service on 20 March 2020 to provide take-away food and drinks only. They provided the service on this basis until they were required to close on 23 March 2020. The Café was re-opened on a take-away basis from 8 July 2020 and remained open for the rest of the year on a take-away basis.

Contractor rental amendments

Rent paid by MyTime Active at Cobtree Manor Park Golf Course was suspended for a period of 58 days. The contract fee paid by Planning Solutions at Kent Life was suspended for the whole of the Q1 period. The rent fee paid by Cobtree Café Ltd at the Cobtree Café is suspended for the duration of the Café's closure period.

Café: Rent relief given April 2020 to June 2020. Contract then returned to regular terms and payments.

Kent Life: Rent relief given April 2020 to June 2020. Contract then returned to regular terms and payments.

Golf course: Rent relief given for April to May 2020. Contract then returned to regular terms and payments.

Conclusion

Prudent revised forecasts have been prepared for the coming year, taking the above into account, and using the assumption that the charity will be able to continue providing services even in the event of any future lockdown periods.

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

2. Accounting policies (continued)

2.2 Going concern (continued)

Taking the above into account the trustees have concluded there are no material uncertainties about the charity's ability to continue as a going concern and that it remains appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

2.5 Intangible assets and amortisation

Material intangible assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Website development - 25 % straight line

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

| | |
|------------------------------|---------------------|
| Long-term leasehold property | - 0 - 12.5% on cost |
| Motor vehicles | - |
| Fixtures and fittings | - 10-25% on cost |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Long-term leasehold property includes Cobtree Manor Park Golf Course, Kent Life Museum and Cobtree Manor Park Visitor centre. As disclosed in note 13 these are held under a 999 year lease. No depreciation is charged on these assets on the basis that they are revalued annually.

Leasehold property also includes, at cost, improvements at the Cobtree Play Area and to the car park at Cobtree Manor Park. These assets are depreciated over their deemed useful lives.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at their fair value at the Balance sheet date for investment properties and closing quoted market price for other listed investments.

All gains and losses are taken to the Statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'gains on revaluation of fixed assets' and added to the endowment fund to which they relate.

2.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Cobtree Manor Estate

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

3. Income from donations and legacies

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|---------------------------------------|--|--|---------------------------------------|---------------------------------------|
| Will Trust income | - | 26,465 | 26,465 | 43,483 |
| Donations | 576 | - | 576 | - |
| | <u>576</u> | <u>26,465</u> | <u>27,041</u> | <u>43,483</u> |
| <i>Analysis of 2020 total by fund</i> | <u>-</u> | <u>43,483</u> | <u>43,483</u> | |

4. Income from charitable activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|---------------------------------------|--|---------------------------------------|---------------------------------------|
| Golf club revenue | 133,745 | 133,745 | 127,857 |
| Cafe income | 17,924 | 17,924 | 17,934 |
| Car park income | 146,641 | 146,641 | 109,927 |
| Kent Life income | 53,730 | 53,730 | 71,166 |
| Other income | - | - | 332 |
| | <u>352,040</u> | <u>352,040</u> | <u>327,216</u> |
| <i>Analysis of 2020 total by fund</i> | <u>327,216</u> | <u>327,216</u> | |

5. Income from other trading activities**Income from non charitable trading activities**

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|---------------------------------------|--|---------------------------------------|---------------------------------------|
| Rental income | 47,771 | 47,771 | 54,438 |
| | <u>47,771</u> | <u>47,771</u> | <u>54,438</u> |
| <i>Analysis of 2020 total by fund</i> | <u>54,438</u> | <u>54,438</u> | |

Notes to the Financial Statements
For the Year Ended 31 March 2021

6. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Investment income | 36,155 | 36,155 | 47,575 |
| <i>Analysis of 2020 total by fund</i> | <i>47,575</i> | <i>47,575</i> | |

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Charitable activities | 396,552 | 26,465 | 76,547 | 499,564 | 445,633 |
| <i>Analysis of 2020 total</i> | <i>325,603</i> | <i>43,483</i> | <i>76,547</i> | <i>445,633</i> | |

Summary by expenditure type

| | Staff costs 2021 £ | Depreciation 2021 £ | Other costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------------------|--------------------------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| Charitable activities | 87,458 | 122,722 | 289,384 | 499,564 | 445,633 |
| <i>Analysis of 2020 total</i> | <i>101,156</i> | <i>121,058</i> | <i>223,419</i> | <i>445,633</i> | |

Notes to the Financial Statements
For the Year Ended 31 March 2021

8. Analysis of expenditure by activities

| | Direct costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------------------|---------------------------|-----------------------------|-----------------------------|
| Charitable activities | 499,564 | 499,564 | 445,633 |
| <i>Analysis of 2020 total</i> | <i>445,633</i> | <i>445,633</i> | |

Analysis of direct costs

| | Total funds 2021 £ | Total funds 2020 £ |
|---|-----------------------------|-----------------------------|
| Staff salaries | 87,458 | 101,156 |
| Staff training, welfare and other costs | 10,111 | 3,881 |
| Repairs and maintenance | 72,955 | 58,999 |
| Grounds maintenance | 30,327 | 29,617 |
| Rent and rates | - | 1,088 |
| Heat and light | 8,778 | 10,404 |
| Insurance | 11,370 | 11,506 |
| Cleaning | 8,502 | 8,735 |
| Catering supplies and provisions | - | 2,066 |
| Printing, postage and stationery | 193 | 97 |
| Legal and professional fees | 40,444 | 24,837 |
| Telephone and internet | - | 46 |
| Other fees and services | 54,928 | 54,226 |
| Equipment hire and maintenance | 44,767 | 9,058 |
| Loan interest | 7,009 | 8,859 |
| Depreciation | 122,722 | 121,058 |
| | <u>499,564</u> | <u>445,633</u> |

9. Auditors' remuneration

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Fees payable to the charity's auditor for the audit of the charity's annual accounts | 5,545 | 5,410 |

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

10. Staff costs

Maidstone Borough Council employs various staff whose roles exist solely for the benefit of the Charity. These costs are recharged to the Charity and, to reflect the substance of the arrangement, the costs are reflected in the accounts as staff costs.

| | 2021 | <i>2020</i> |
|--|----------------------|-----------------------|
| | £ | £ |
| Wages and salaries (including agency staff) | 69,350 | 86,596 |
| Social security costs | 5,924 | 5,727 |
| Contribution to defined contribution pension schemes | 12,184 | 8,833 |
| | <u>87,458</u> | <u>101,156</u> |
| | <u><u>87,458</u></u> | <u><u>101,156</u></u> |

The average number of persons employed by the charity during the year was as follows:

| | 2021 | <i>2020</i> |
|-------------|-----------------|-----------------|
| | No. | No. |
| Park Ranger | 1 | 2 |
| Manager | 1 | 1 |
| | <u>2</u> | <u>3</u> |
| | <u><u>2</u></u> | <u><u>3</u></u> |

No employee received remuneration amounting to more than £60,000 in either year.

The corporate trustee, Maidstone Borough Council, is considered to be the key management personnel of the charity. No employee benefits were paid to the trustee during the year (*2020 - £Nil*).

11. Trustee's remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2020 - £NIL*).

During the year ended 31 March 2021, no Trustee expenses have been incurred (*2020 - £NIL*).

Cobtree Manor Estate

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

12. Intangible assets

| | Website development £ |
|-------------------------|--------------------------------------|
| Cost | |
| At 1 April 2020 | 50,000 |
| At 31 March 2021 | <u>50,000</u> |
| Amortisation | |
| At 1 April 2020 | 50,000 |
| At 31 March 2021 | <u>50,000</u> |
| Net book value | |
| At 31 March 2021 | <u>-</u> |
| <i>At 31 March 2020</i> | <u>-</u> |

13. Tangible fixed assets

| | Long-term leasehold property £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--------------------------|---|-----------------------------|--|--------------------|
| Cost or valuation | | | | |
| At 1 April 2020 | 2,802,511 | - | 58,523 | 2,861,034 |
| Additions | - | 8,323 | - | 8,323 |
| Revaluations | (50,000) | - | - | (50,000) |
| At 31 March 2021 | <u>2,752,511</u> | <u>8,323</u> | <u>58,523</u> | <u>2,819,357</u> |
| Depreciation | | | | |
| At 1 April 2020 | 115,205 | - | 29,265 | 144,470 |
| Charge for the year | 115,205 | 1,664 | 5,853 | 122,722 |
| At 31 March 2021 | <u>230,410</u> | <u>1,664</u> | <u>35,118</u> | <u>267,192</u> |
| Net book value | | | | |
| At 31 March 2021 | <u>2,522,101</u> | <u>6,659</u> | <u>23,405</u> | <u>2,552,165</u> |
| <i>At 31 March 2020</i> | <u>2,687,306</u> | <u>-</u> | <u>29,258</u> | <u>2,716,564</u> |

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

13. Tangible fixed assets (continued)

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 are revalued annually by a professional firm of chartered surveyors periodically, using a 'market approach'. The last valuation took place in March 2021.

The carrying amount under the cost model of the assets which have been revalued would have been £1,673,127 (2020 - £1,673,127).

14. Investment property

| | Long term leasehold investment property £ |
|----------------------------------|--|
| Valuation | |
| At 1 April 2020 | 1,010,000 |
| Surplus/(deficit) on revaluation | (10,000) |
| At 31 March 2021 | <u>1,000,000</u> |

The investment properties are held to generate a rental income stream for the Charity. All investment properties are revalued by a professional firm of chartered surveyors on an annual cycle (subject to existing tenancies where appropriate). A valuation took place in March 2021.

One exception to this is the Tyland Farm property which is carried at £Nil value on an EUV basis. This property is currently let, with a peppercorn rent, on a 125 year lease ending in 2117. No readily available market value was available for this property at 31 March 2021 and hence the EUV basis is deemed to be the most appropriate basis available without undue cost to the Charity.

15. Fixed asset investments

| | Listed investments £ |
|--------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 April 2020 | 670,148 |
| Revaluations | 155,245 |
| At 31 March 2021 | <u>825,393</u> |
| Net book value | |
| At 31 March 2021 | 825,393 |
| At 31 March 2020 | <u>670,148</u> |

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

15. Fixed asset investments (continued)

Material investments

The above listed investments are fully invested in the M&G Charifund, which qualifies as an alternative investment fund.

Risk profile

The fund invests mainly in the shares of UK listed dividend paying companies, and a portion of the fund is also invested in the shares of dividend paying companies listed overseas. It is, therefore, subject to the price volatility of the UK and overseas stockmarkets and the performance of individual companies. The fund may also be subject to fluctuations in currency exchange rates.

The fund's focus is on good quality companies with attractive dividend growth prospects. Dividend distributions from the fund's holdings however are not guaranteed and may vary. Diversification across industries and market capitalisation is key in managing liquidity risk and reducing market risk. The fund's risks are measured and managed by M&G as an integral part of the investment process.

16. Debtors

| | 2021 | <i>2020</i> |
|--------------------------------|----------------|-----------------------|
| | £ | <i>£</i> |
| Trade debtors | 220,279 | <i>79,667</i> |
| Other debtors | - | <i>17,023</i> |
| Prepayments and accrued income | 37,635 | <i>33,643</i> |
| | <u>257,914</u> | <u><i>130,333</i></u> |

17. Creditors: Amounts falling due within one year

| | 2021 | <i>2020</i> |
|--|----------------|-----------------------|
| | £ | <i>£</i> |
| Other taxation and social security | 251 | <i>-</i> |
| Amount owed to Maidstone Borough Council | 298,665 | <i>189,716</i> |
| Other creditors | 5,545 | <i>5,280</i> |
| | <u>304,461</u> | <u><i>194,996</i></u> |

A formal repayment agreement was established with Maidstone Borough Council for the charity to repay the money loaned by the the Council in respect of capital expenditure in respect of the improvement to Cobtree Manor Park car park.

Repayments began from 1 April 2019 once the work was complete, and interest is payable at a rate of 3% (Public Works Loan Board rate 2% plus 1%). The total balance owing to the Council in respect of the car park loan at 31 March 2021 was £199,575.

In addition to the car park loan the total balance owed to the Council also includes other amounts of £234,123. The combined total of £433,698 has been split between amounts falling due within one year (as above) and after more than one year (see note 18).

Notes to the Financial Statements
For the Year Ended 31 March 2021

18. Creditors: Amounts falling due after more than one year

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Amount owed to Maidstone Borough Council | 135,033 | 199,575 |

See narrative at the end of note 17 explaining the balance owed to the Council.

19. Financial instruments

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 825,393 | 670,148 |

Financial assets measured at fair value through income and expenditure comprise listed investments.

Notes to the Financial Statements
For the Year Ended 31 March 2021

20. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|-----------------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------|----------------------------------|
| Unrestricted funds | | | | | | |
| General funds | 274,716 | 436,542 | (396,552) | (23,979) | - | 290,727 |
| Endowment funds | | | | | | |
| Endowment capital funds | 4,096,849 | - | (76,547) | - | 95,245 | 4,115,547 |
| Restricted funds | | | | | | |
| Will Trust | - | 26,465 | (26,465) | - | - | - |
| Cobtree Manor Park car park | 270,605 | - | - | (38,658) | - | 231,947 |
| MBC car park loan | (262,212) | - | - | 62,637 | - | (199,575) |
| | 8,393 | 26,465 | (26,465) | 23,979 | - | 32,372 |
| Total of funds | 4,379,958 | 463,007 | (499,564) | - | 95,245 | 4,438,646 |

Unrestricted Funds

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

Restricted Funds

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.

Cobtree Manor Park car park and associated loan from MBC - this represents the net book value of the car park and the amount of the outstanding associated loan.

Permanent Endowment Capital Fund

The permanent endowment capital fund comprises the long-term fixed assets of the charity, being the long-leasehold land and buildings, investment properties and the portfolio of listed investments as detailed in notes 11, 12 and 13.

Cobtree Manor Estate

Notes to the Financial Statements
For the Year Ended 31 March 2021

20. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 April 2019</i> | <i>Income</i> | <i>Expenditure</i> | <i>Transfers in/out</i> | <i>Gains/ (Losses)</i> | <i>Balance at 31 March 2020</i> |
|--------------------------------|------------------------------------|----------------|--------------------|-------------------------|----------------------------|-------------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | | |
| General funds | 179,483 | 429,229 | (325,603) | (8,393) | - | 274,716 |
| Endowment capital funds | | | | | | |
| Endowment capital funds | 4,985,970 | - | (76,547) | - | (812,574) | 4,096,849 |
| Restricted funds | | | | | | |
| Will Trust | - | 43,483 | (43,483) | - | - | - |
| Cobtree Manor Park car park | 301,224 | - | - | (30,619) | - | 270,605 |
| MBC car park loan | (301,224) | - | - | 39,012 | - | (262,212) |
| | - | 43,483 | (43,483) | 8,393 | - | 8,393 |
| Total of funds | 5,165,453 | 472,712 | (445,633) | - | (812,574) | 4,379,958 |

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 | Restricted funds 2021 | Endowment funds 2021 | Total funds 2021 |
|-------------------------------------|--|--------------------------------------|-------------------------------------|---------------------------------|
| | £ | £ | £ | £ |
| Tangible fixed assets | 29,704 | 232,307 | 2,290,154 | 2,552,165 |
| Fixed asset investments | - | - | 825,393 | 825,393 |
| Investment property | - | - | 1,000,000 | 1,000,000 |
| Current assets | 500,582 | - | - | 500,582 |
| Creditors due within one year | (304,461) | - | - | (304,461) |
| Creditors due in more than one year | 64,902 | (199,935) | - | (135,033) |
| Total | 290,727 | 32,372 | 4,115,547 | 4,438,646 |

Cobtree Manor Estate

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

21. Analysis of net assets between funds (continued)

The restricted creditor balances relate to balances owed to the corporate trustee, Maidstone Borough Council, in respect of funds provided during 2018-19 to fund new car park works that have been capitalised as tangible fixed asset additions. It is a requirement of the repayment agreement for these amounts to be treated as and disclosed as a restricted balance in the annual accounts.

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2020 £</i> | <i>Restricted funds 2020 £</i> | <i>Endowment funds 2020 £</i> | <i>Total funds 2020 £</i> |
|-------------------------------------|--|--|---|---------------------------------------|
| Tangible fixed assets | 29,258 | 270,605 | 2,416,701 | 2,716,564 |
| Fixed asset investments | - | - | 670,148 | 670,148 |
| Investment property | - | - | 1,010,000 | 1,010,000 |
| Current assets | 377,817 | - | - | 377,817 |
| Creditors due within one year | (132,359) | (62,637) | - | (194,996) |
| Creditors due in more than one year | - | (199,575) | - | (199,575) |
| Total | 274,716 | 8,393 | 4,096,849 | 4,379,958 |

22. Related party transactions

Maidstone Borough Council (MBC) is the Corporate Trustee of the Charity.

MBC owns part of the land upon which the golf course is built. The accounting arrangements between MBC and the charity are that MBC is responsible for all receipts and payments for both the golf course and the Manor Park. At the end of each financial year the the income and expenditure relating to Cobtree Manor Estate is shown in the Charity's accounts.

For the golf course 7/9ths of the total revenue 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 Statement of Financial Activities includes income of £207,981 (2020 - £225,778) in relation to operating the estate in accordance with this arrangement, as broken down below.

| | 2021 £ | 2020 £ |
|-------------------|-----------|-----------|
| Golf club revenue | 133,745 | 127,857 |
| Will trust income | 26,465 | 43,483 |
| Rental income | 47,771 | 54,438 |
| | ----- | ----- |
| | 207,981 | 225,778 |

Expenditure reflected through the Statement of Financial Activities includes operating costs in relation to income streams above.

As disclosed in note 10, MBC employs staff whose roles exist solely for the benefit of the Charity, and hence the cost of their employment is shown within staff costs. In total, staff costs include £87,458 (2020 - £101,156) of recharged employment costs.

During the year MBC provided various other services to the Charity, which have been included within 'other fees and services' in charitable expenses. During the year total recharges of £18,193 (2020 - £62,444) were made for these services.

At 31 March 2021, the Charity owed £433,698 (2020 - £389,291) to Maidstone Borough Council.

Cobtree Manor Estate

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

23. Controlling party

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

24. Taxation

Cobtree Manor Estate is a registered charity and is therefore potentially exempt from taxation on its income and gains as the charity falls within the definition of a charitable trust as defined in Part 1, Schedule 6 of the Finance Act 2010. No tax charge has arisen during the year.