

Cobtree Manor Estate

Trustee's Report and Financial Statements

For the Year Ended 31 March 2023

Cobtree Manor Estate

Contents

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustee's Report	2 - 5
Independent Auditors' Report on the Financial Statements	6 - 8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 - 25

Cobtree Manor Estate

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2023**

Trustee	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 2023

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 2023.

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 2023

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 number of rounds played at the Cobtree Golf course over the past ten years has been as follows:

Year	Rounds Played
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
2021/2022	38,500
2022/2023	30,430

Rounds played in 2022/2023 of 30,430 was therefore a significant (21%) drop from the 2021/2022 levels. Numbers were behind the 2021/2022 rates through the whole year, and then the very wet weather in February and March 2023, which caused the course to close for a number of days, resulted in the annual number of rounds to fall even further below the previous year total.

Despite sound day-to-day management of the venue, the operator at Cobtree Golf Course was unable to meet its long-term commitments with capital investment and projected rents. The Charity had to take steps to terminate the contract with this operator and advertise for a new one. That exercise has been completed and a new operator will be taking over operation of the site from October 2023. The new operator has a good track record and will bring certainty and sustainable operations to the golf course for the next 20 years.

Cobtree Manor Park

The park was awarded a Green Flag Award for 2022/2023.

Park visitor numbers have reduced for the second year in a row following the peak visitor numbers that were seen in 2020/2021 during the height of the Covid-19 pandemic. Despite this, the park continues to be very popular with residents and families.

Car park income totalled £108,832 for 2022/2023 Financial Year which was 19% down on 2021/2022. The 2021/2022 total was itself 15% down on 2020/2021, although 2020/2021 was a record year for car park sales.

The amalgamation of staff at Cobtree Manor Park with the parks and open spaces department at the council continues to be a real success. The park benefits from being part of a collective of parks with a management department behind it. Management is more resilient, and the department ensures its collective skills and experiences are deployed at Cobtree.

Outdoor theatre returned in the summer of 2022, delivered by partners at the Hazlitt Theatre. The performances of Robin Hood drew audiences of more than 250 each evening. Ticket prices were set at affordable family rates to enable theatre to be brought to new audiences. The Hazlitt team are returning in the summer of 2023 to deliver family outdoor theatre once again.

The Cobtree Manor Park Café has a new tenant operator, who began trading from the café in April 2023. This transition falls slightly outside the reporting period, but it is of significance. The new operator is trading well and brings sustainable rents to the Cobtree Charity.

Cobtree Manor Estate

Trustee's Report

For the Year Ended 31 March 2023

Kent Life

Kent Life's post-Covid recovery was solidified in 2022/2023 with a full return to visitor numbers and educational numbers.

There have been some staff changes on site, which is consistent with the leisure and hospitality sector. New staff and managers to the site continue to deliver the events schedule and daily visitor experience. Kent Life was successful in receiving Government funding in 2022 to install a changing places toilet, specifically designed to cater for visitors of all needs. This will enable more school visits for pupils with special educational needs and make sure the venue is even more accessible to its members and day visitors.

Additional Volunteer Help and Intangible Income

Cobtree Manor Park has hosted some corporate volunteering days for local companies and some volunteer days organised by our partners the Medway Valley Countryside Partnership.

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 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.

FINANCIAL REVIEW

Financial Review and Investment Policy

Total income for the year amounted to £476k, a slight drop on total income of £463k in the previous year.

Within the total, income from charitable activities fell £37k compared to 2021/22, mainly due to the decline in car park income as explained on page 3.

Charitable costs also fell, reducing from £484k in the previous year to £458k in 2022/23.

Before gains reported on investments this meant the result for the year was a surplus of £19k (2022: £9k). The £54k loss gain on investments (2022: gain of £60k) brings net expenditure for the year per the SoFA to £35k (2022: net income of £69k). The gain on investments represents the movement in the year on the charity's listed investment securities, as shown in note 14. The final movement in funds for the year relates to fixed asset revaluations. The carrying value of the fixed assets has been decreased by £275k to reflect the latest valuations. The overall movement in funds was therefore a reduction of £310k (2022: increase of £142k).

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.

Cobtree Manor Estate

Trustee's Report

For the Year Ended 31 March 2023

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 Balance sheet shows net assets at 31 March 2023 of £4.27m, down from £4.58m 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 £3.81m of the total. The remaining funds sit as unrestricted free reserves of £445k and restricted funds of £20k..

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. 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 David Burton
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 2023 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 2023 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 Trustee 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 the trustee

As explained more fully in the Trustee's Responsibilities Statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is 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 Trustee either intends 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.

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 Trustee 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 Trustee 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 Trustee, 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 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	3	-	30,000	-	30,000	34,596
Charitable activities	4	335,884	-	-	335,884	373,420
Other trading activities	5	63,763	-	-	63,763	43,331
Investments	6	46,808	-	-	46,808	42,236
Total income and endowments		446,455	30,000	-	476,455	493,583
Expenditure on:						
Charitable activities	7	300,195	80,771	76,547	457,513	484,385
Total expenditure		300,195	80,771	76,547	457,513	484,385
Net income/(expenditure) before net (losses)/gains on investments		146,260	(50,771)	(76,547)	18,942	9,198
Net (losses)/gains on investments	14	-	-	(54,117)	(54,117)	60,150
Net income/(expenditure)		146,260	(50,771)	(130,664)	(35,175)	69,348
Transfers between funds	19	(139,294)	139,294	-	-	-
Net movement in funds before other recognised gains/(losses)		6,966	88,523	(130,664)	(35,175)	69,348
Other recognised gains/(losses):						
(Losses)/gains on revaluation of fixed assets	12,13	-	-	(274,999)	(274,999)	73,142
Net movement in funds		6,966	88,523	(405,663)	(310,174)	142,490
Reconciliation of funds:						
Total funds brought forward		438,410	(68,924)	4,211,650	4,581,136	4,438,646
Net movement in funds		6,966	88,523	(405,663)	(310,174)	142,490
Total funds carried forward	19	445,376	19,599	3,805,987	4,270,962	4,581,136

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

The notes on pages 11 to 25 form part of these financial statements.

Cobtree Manor Estate

Balance Sheet
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	2,176,722	2,439,443
Investments	14	831,426	885,543
Investment property	13	967,500	1,102,500
		<u>3,975,648</u>	<u>4,427,486</u>
Current assets			
Debtors	15	253,258	307,842
Cash at bank and in hand		250,755	182,779
		<u>504,013</u>	<u>490,621</u>
Creditors: amounts falling due within one year	16	(140,172)	(201,939)
Net current assets		<u>363,841</u>	<u>288,682</u>
Total assets less current liabilities		<u>4,339,489</u>	<u>4,716,168</u>
Creditors: amounts falling due after more than one year	17	(68,527)	(135,032)
Total net assets		<u><u>4,270,962</u></u>	<u><u>4,581,136</u></u>
Charity funds			
Endowment funds	19	3,805,987	4,211,650
Restricted funds	19	19,599	(68,924)
Unrestricted funds	19	445,376	438,410
Total funds		<u><u>4,270,962</u></u>	<u><u>4,581,136</u></u>

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

Councillor David Burton
Chairman of the Cobtree Manor Estate Charity Committee

Date:

The notes on pages 11 to 25 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

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 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 Trustee assesses 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 trustee makes this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Looking forward the golf course contract ceased at the end of September 2023, and changes in the market for such contracts means that the Estate is anticipating a drop in the annual rental 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.

Taking the above into account the Trustee has 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.

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

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.

Expenditure is shown inclusive of any irrecoverable VAT. Any VAT irrecoverable as a result of partial exemption calculations is shown in note 8.

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.

Amortisation is provided on the following basis:

Website development	- 25 % straight line
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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.

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	- 20% on cost
Fixtures and fittings	- 10% 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.

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

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.

3. Income from donations and legacies

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Will Trust income	30,000	30,000	34,596
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Analysis of 2022 total by fund</i>	34,596	34,596	
	<hr/> <hr/>	<hr/> <hr/>	

Notes to the Financial Statements
For the Year Ended 31 March 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Golf club revenue	135,249	135,249	131,309
Cafe income	20,999	20,999	33,140
Car park income	108,832	108,832	135,371
Kent Life income	70,804	70,804	73,600
	<u>335,884</u>	<u>335,884</u>	<u>373,420</u>
<i>Analysis of 2022 total by fund</i>	<u>373,420</u>	<u>373,420</u>	

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	63,763	63,763	43,331
	<u>43,331</u>	<u>43,331</u>	
<i>Analysis of 2022 total by fund</i>	<u>43,331</u>	<u>43,331</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	46,808	46,808	42,236
	<u>42,236</u>	<u>42,236</u>	
<i>Analysis of 2022 total by fund</i>	<u>42,236</u>	<u>42,236</u>	

Notes to the Financial Statements
For the Year Ended 31 March 2023

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
Charitable activities	300,195	80,771	76,547	457,513	484,385
<i>Analysis of 2022 total</i>	330,382	77,456	76,547	484,385	

Summary by expenditure type

	Depreciation 2023 £	Other costs 2023 £	Total 2023 £	Total 2022 £
Charitable activities	122,722	334,791	457,513	484,385
<i>Analysis of 2022 total</i>	122,722	361,663	484,385	

8. Analysis of expenditure by activities

	Direct costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	457,513	457,513	484,385
<i>Analysis of 2022 total</i>	484,385	484,385	

Notes to the Financial Statements
For the Year Ended 31 March 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Depreciation	122,722	122,722
Staff costs	4,486	5,189
Repairs and maintenance	18,665	65,613
Grounds maintenance	5,969	17,595
Rent and rates	1,360	5,238
Heat and light	14,213	15,943
Insurance	13,431	12,758
Cleaning	8,976	7,520
Legal and professional fees	13,600	9,684
Other fees and services	10,991	8,047
Equipment hire and maintenance	4,167	15,627
Bad debt write off	12,736	-
Loan interest	12,113	4,202
Staff recharges	74,615	72,875
Parks and open spaces	121,370	121,372
Irrecoverable VAT	18,099	-
	<hr/> 457,513 <hr/>	<hr/> 484,385 <hr/>

9. Auditors' remuneration

	2023 £	<i>2022 £</i>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<hr/> 6,365 <hr/>	<hr/> 5,585 <hr/>

10. Trustee's remuneration and expenses

During the year, the Trustee did not receive any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

Notes to the Financial Statements
For the Year Ended 31 March 2023

11. Intangible assets

	Website development £
Cost	
At 1 April 2022	50,000
At 31 March 2023	<u>50,000</u>
Amortisation	
At 1 April 2022	50,000
At 31 March 2023	<u>50,000</u>
Net book value	
At 31 March 2023	<u>-</u>
<i>At 31 March 2022</i>	<u>-</u>

Notes to the Financial Statements
For the Year Ended 31 March 2023

12. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2022	2,762,511	8,323	58,523	2,829,357
Revaluations	(139,999)	-	-	(139,999)
At 31 March 2023	<u>2,622,512</u>	<u>8,323</u>	<u>58,523</u>	<u>2,689,358</u>
Depreciation				
At 1 April 2022	345,615	3,328	40,971	389,914
Charge for the year	115,205	1,664	5,853	122,722
At 31 March 2023	<u>460,820</u>	<u>4,992</u>	<u>46,824</u>	<u>512,636</u>
Net book value				
At 31 March 2023	<u><u>2,161,692</u></u>	<u><u>3,331</u></u>	<u><u>11,699</u></u>	<u><u>2,176,722</u></u>
<i>At 31 March 2022</i>	<u><u>2,416,896</u></u>	<u><u>4,995</u></u>	<u><u>17,552</u></u>	<u><u>2,439,443</u></u>

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 2022.

The carrying amount under the cost model of the assets which have been revalued would have been £1,673,127 (2022 - £1,673,127).

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

13. Investment property

	Long term leasehold investment property £
Valuation	
At 1 April 2022	1,102,500
Surplus/(deficit) on revaluation	(135,000)
At 31 March 2023	<u>967,500</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 2022.

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 2022 and hence the EUV basis is deemed to be the most appropriate basis available without undue cost to the Charity.

14. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	885,543
Revaluations	(54,117)
At 31 March 2023	<u>831,426</u>
Net book value	
At 31 March 2023	831,426
<i>At 31 March 2022</i>	<u>885,543</u>

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.

Notes to the Financial Statements
For the Year Ended 31 March 2023

15. Debtors

	2023 £	2022 £
Trade debtors	189,234	45,467
Other debtors	1,678	22,524
Prepayments and accrued income	62,346	239,851
	<u>253,258</u>	<u>307,842</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,434	-
Amount owed to Maidstone Borough Council	66,505	196,239
Other creditors	72,233	5,700
	<u>140,172</u>	<u>201,939</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 2023 was £135,032 (2022 - £262,213).

In addition to the car park loan the total balance owed to the Council also includes other amounts of £Nil (2022 - £69,058). The combined total of £135,032 (2022 - £331,271) 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 2023

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

	2023 £	2022 £
Amount owed to Maidstone Borough Council	68,527	135,032

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

18. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	250,755	885,543

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

Notes to the Financial Statements
For the Year Ended 31 March 2023

19. Statement of funds

Statement of funds - current year

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General funds	438,410	446,455	(300,195)	(139,294)	-	445,376
Endowment funds						
Endowment capital funds	4,211,650	-	(76,547)	-	(329,116)	3,805,987
Restricted funds						
Will Trust	-	30,000	(30,000)	-	-	-
Cobtree Manor Park car park	193,289	-	(38,658)	-	-	154,631
MBC car park loan	(262,213)	-	(12,113)	139,294	-	(135,032)
	(68,924)	30,000	(80,771)	139,294	-	19,599
Total of funds	4,581,136	476,455	(457,513)	-	(329,116)	4,270,962

Unrestricted Funds

These comprise funds that the Trustee is 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 13, 14 and 15.

Notes to the Financial Statements
For the Year Ended 31 March 2023

19. Statement of funds (continued)

Statement of funds - prior year

	<i>As restated Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
Unrestricted funds						
General funds	395,197	458,987	(330,382)	(85,392)	-	438,410
Endowment capital funds						
Endowment capital funds	4,115,547	-	(76,547)	39,358	133,292	4,211,650
Restricted funds						
Will Trust	-	34,596	(34,596)	-	-	-
Cobtree Manor Park car park	231,947	-	(38,658)	-	-	193,289
MBC car park loan	(304,045)	-	(4,202)	46,034	-	(262,213)
	(72,098)	34,596	(77,456)	46,034	-	(68,924)
Total of funds	4,438,646	493,583	(484,385)	-	133,292	4,581,136

Notes to the Financial Statements
For the Year Ended 31 March 2023

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	15,030	154,631	2,007,061	2,176,722
Fixed asset investments	-	-	831,426	831,426
Investment property	-	-	967,500	967,500
Current assets	504,013	-	-	504,013
Creditors due within one year	(73,667)	(66,505)	-	(140,172)
Creditors due in more than one year	-	(68,527)	-	(68,527)
Total	445,376	19,599	3,805,987	4,270,962

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 the 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 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Endowment funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	22,547	193,289	2,223,607	2,439,443
Fixed asset investments	-	-	885,543	885,543
Investment property	-	-	1,102,500	1,102,500
Current assets	490,621	-	-	490,621
Creditors due within one year	(74,758)	(127,181)	-	(201,939)
Creditors due in more than one year	-	(135,032)	-	(135,032)
Total	438,410	(68,924)	4,211,650	4,581,136

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

21. 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 £236,901 (2022 - £209,236) in relation to operating the estate in accordance with this arrangement, as broken down below.

	2023	2022
	£	£
Golf club revenue	135,249	131,309
Will trust income	30,000	34,596
Rental income	63,763	43,331
	-----	-----
	229,012	209,236

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

During the year MBC provided various other services to the Charity, which have been included within direct charitable expenditure. Total recharges of £206,267 (2022 - £207,122) were made for these services. This total comprises: Parks & Open Space - £121,370; staff recharges - £74,615; legal and professional fees - £8,065 and equipment hire and maintenance - £2,217.

At 31 March 2023, the Charity owed £135,032 (2022 - £220,159) to Maidstone Borough Council.

22. Controlling party

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

23. 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.