

**MAIDSTONE BOROUGH COUNCIL**

**COBTREE MANOR ESTATE COMMITTEE**

**11<sup>TH</sup> JULY 2012**

**REPORT OF THE HEAD OF FINANCE & CUSTOMER SERVICES**

<b>Report prepared by: Paul Holland (Senior Accountant)</b>
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**1     ACCOUNTS 2011/12**

**1.1   Issue for Decision**

1.1.1 To consider the un-audited Report and Financial Statement for the financial year 2011/12.

**1.2   Recommendation of the Head of Finance & Customer Services**

1.2.1 That the Committee notes the draft Report and Financial Statement for the financial year 2011/12.

**1.3   Reasons for Recommendation**

1.3.1 Attached at **APPENDIX A** are the draft Report and Financial Statements for the financial year 2011/12.

1.3.2 The draft Report and Financial Statements have been produced in accordance with Charity Accounting Statement of Recommended Practice.

1.3.3 Members have previously agreed to appoint King & Taylor as external auditors for 2011/12.

**1.4   Financial Statements 2011/12**

1.4.1 The net surplus on the operation of the Golf Course and the Manor Park was £100,087, compared to a net deficit of £4,120 during 2010/11. Following the audit of the 2010/11 accounts and subsequent adjustments there was a sum due to the Borough Council of £17,912, leaving an actual surplus of £82,175, which is shown as a debtor on the Balance Sheet. These figures are provisional as the accounts are still subject to external audit.

1.4.2 Following the transfer of the Golf Course grounds maintenance staff to the contractor there are no longer any staff costs relating to the golf course in the accounts.

1.4.3 The figure for property repairs is substantially lower in 2011/12 (£20,276), as the figure for 2010/11 (£108,809) included the major repair works undertaken at Garden Cottage.

1.4.4 As the Trust is now debt free it will keep any net surplus it generates. The Committee has previously agreed that any surpluses will be invested in Charifund subject to the progress of the Master Plan. However as the Plan is now in the process of being implemented the surplus for 2011/12 will be applied directly to payments due in respect of Phase 1.

1.4.5 There were no asset disposals during 2011/12, and none of the assets held were subject to revaluation.

1.4.6 It should be noted that the market value of the Charifund investment has fallen slightly during 2011/12, to £1,328,166 at 31<sup>st</sup> March 2012, compared to a value of £1,352,394 at 31<sup>st</sup> March 2011. The purchase value of the investments held is £1,290,000, so the market value remains greater than this figure at the Balance Sheet date.

#### 1.5 Alternative Actions and Why Not Recommended

1.5.1 None

#### 1.6 Impact on the Charity's Objectives

1.6.1 The net surplus from the operations of the Golf Course and Manor Park will enable the Trust to move forward with their proposals to improve facilities on the Cobtree Manor Estate.

#### 1.7 Risk Management

1.7.1 The reporting of the final position for 2011/12 assists in the ongoing financial management of the Trust.

#### 1.8 Other Implications

Financial

Staffing

Legal

Social Inclusion

Environmental/Sustainable Development

Community Safety

Human Rights Act

Procurement

Asset Management

X

#### 1.9 Financial Implications

1.9.1 The Accounts are a factual statement of the financial affairs of the Trust for 2011/12.

#### Background Documents

*Accountancy reports on financial transactions for 2011/12*

**NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED**

Is this a Key Decision?      Yes      ☐      No      ☒

If yes, when did it appear in the Forward Plan? \_\_\_\_\_

Is this an Urgent Key Decision?      Yes      ☐      No      ☒

Reason for Urgency

Not applicable