

Cobtree Manor Estate**Notes to the financial statements
for the year ended 31 March 2012****1. Accounting Policies****1.1. Accounting Convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and the Charities Statement of Recommended Practice (SORP) and applicable accounting standards.

1.2 Fund Accounting

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

Restricted funds are those funds held for a specific purpose upon which restrictions have been imposed by the donor.

The endowment fund represents those assets that must be held permanently by the charity.

1.3 Incoming Resources

All incoming resources are included within the SOFA when the charity is legally entitled to the income and the amount can be reasonably quantified.

All grants and voluntary income are accounted for gross when receivable as long as they are capable of financial measurement.

1.4 Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs relate to more than one functional cost category, they have been split on an appropriate estimated basis.

Governance Costs are those associated with the governance arrangements which relate to the general running of the charity.

Support costs (those which do not produce or constitute the output of the charity) are allocated directly to the relevant charitable activity.

1.5 Tangible Fixed Assets and Depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

- Land - Nil
- Leasehold properties - Nil

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Land and buildings are re-valued on a five yearly cycle. No depreciation has been provided on the buildings as this is considered immaterial due to the estimated useful life and the level of residual value.

Impairment would be provided if necessary. Impairment reviews will be carried out when there are any indicators of impairment.

1.6 Investments

Fixed asset investments are stated at market value. Provision is made for any permanent diminution in value.

2. Resources Arising

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

3. Analysis of Resources Expended

Resources expended include the following: -

	2012	2011
	£	£
Auditors' Remuneration – audit services	4,320	4,320

a) Costs of activities in furtherance of charity's objective

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Staff costs (see note 5)	6,095	22,188	28,283	77,328
Grounds maintenance	79,607	-	79,607	89,431
Utilities	57,396	-	57,396	61,577
Property repairs	20,726	-	20,726	108,809
	<u>163,824</u>	<u>22,188</u>	<u>186,012</u>	<u>337,145</u>

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b) Support costs included within the cost of activities

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Staff costs	6,095	22,188	28,283	77,328
Grounds maintenance	28,561	-	28,561	25,706
Utilities	27,263	-	27,263	19,780
	<u>61,919</u>	<u>22,188</u>	<u>84,107</u>	<u>122,814</u>

c) Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Human resources	1,144	-	1,144	992
Utilities	-	-	-	1,184
Democratic services	2,854	-	2,854	3,250
Legal costs	4,660	-	4,660	4,399
Financial advice	6,774	-	6,774	6,315
Audit and accountancy	4,320	-	4,320	4,320
Internal audit	-	-	-	5,525
	<u>19,752</u>	<u>-</u>	<u>19,752</u>	<u>25,985</u>

4. Trustees' Remuneration

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

There were no employees of the Charity.

5. Staff Costs**Number of Employees**

The average number of employees during the year were:

	2012	2011
Golf Course Grounds Maintenance	0	3
Manor Park Grounds Maintenance	1	0
Park Ranger	1	1
	<u>2</u>	<u>4</u>

There were no higher paid employees.

The above staff are employed by Maidstone Borough Council, the corporate trustee of the Charity (see note 11). The golf course grounds maintenance staff are now employed directly by the golf course operating contractor.

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6. Tangible Fixed Assets

	Long Leasehold Land & Buildings £	Total £
Cost or Valuation		
At 1 st April 2011	1,436,141	1,436,141
Revaluations	0	0
At 31 st March 2012	<u>1,436,141</u>	<u>1,436,141</u>
Net Book Values		
At 31 st March 2012	<u>1,436,141</u>	<u>1,436,141</u>
At 31 st March 2011	<u>1,436,141</u>	<u>1,436,141</u>

The closing net book value includes assets used for:

	2012 £	2011 £
Direct Charitable Purposes	1,436,141	1,436,141

The property is held under a 999 year lease which is due to expire in 2970.

The fixed assets are used solely for direct charitable purposes and form part of the permanent endowment of the Charity.

The golf course is revalued by Maidstone Borough Council on a five yearly cycle based on market value with the remaining properties being revalued by Maidstone Borough Council on a five year cycle based on market value subject to existing tenancies.

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

- Cobtree Manor Golf Course
(Including clubhouse, messroom/garage) April 2008
- Garden Lodge/Garden Cottage April 2008
- 2 Stream Cottages April 2008
- 3 Stream Cottages April 2008
- 4 Stream Cottages April 2008

Historical Cost Information

	2012 £	2011 £
Leasehold Land & Buildings	940,688	940,688

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Notes to the financial statements
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	Listed Investments £	Total £
Market Value at 1 st April 2011	1,288,356	1,288,356
Additions		
Revaluations	(24,228)	64,039
Market Value at 31 st March 2012	<u>1,328,166</u>	<u>1,352,395</u>

Net Book Values

At 31 st March 2012	1,328,166	1,328,166
At 31 st March 2011	1,352,395	1,352,395

Fixed Asset Investments

	2012 £	2011 £
Market Valuation of listed investments	1,328,166	1,352,395
Historical cost information	<u>1,290,000</u>	<u>1,290,000</u>

Breakdown of historical cost information:

	2012 £	2011 £
Endowment funds	<u>1,290,000</u>	<u>1,290,000</u>
	<u>1,290,000</u>	<u>1,290,000</u>

8. Creditors: Amounts Falling Due Within One Year

	Unrestricted Funds £	Endowment Funds £	2012 Total £	2011 Total £
Other creditors	-	-	-	17,912
Accruals & Deferred Income	4,320	-	4,320	4,320
	<u>4,320</u>	<u>-</u>	<u>4,320</u>	<u>22,232</u>

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9. Reserves

	Restricted Funds	Unrestricted Funds	Revaluation Reserve	Permanent Endowmen t	Total
	£	£	£	£	£
At 1st April 2011	-	(18,855)	495,453	2,289,718	2,766,316
Revaluation of property	-	-	-	-	-
Net incoming resources	-	100,997	-	-	100,997
Increase/(Decrease) in value of investments	-	(3,364)	-	(20,864)	(24,228)
At 31st March 2012	-	78,778	495,453	2,268,854	2,843,085

Unrestricted Funds

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

Restricted Funds

These are funds that have been given for particular purposes and projects. The restricted fund relates to:

- The Will Trust Fund, the income from which is used to maintain the rural park. The assets of this fund are held by Cobtree Charity Trust Limited, a separate entity.

Revaluation Reserve

The revaluation reserve represents the amounts set aside on revaluation of the land and buildings that are held on trust to be retained for the benefit of the Charity as a capital fund.

Permanent Endowment

The endowment fund represents those assets that must be held permanently by the Charity. Income arising on the endowment fund can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains and losses arising on the investments form part of the fund. The assets of the fund are set out below:

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Permanent Endowment Assets

	2012	2011
	£	£
Long Leasehold Land & Buildings	1,436,141	1,436,141
Investments at Market Value (Note 6)	1,328,166	1,352,395
	<u>2,764,307</u>	<u>2,788,536</u>

10. Capital Commitments

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

	2012	2011
	£	£
Contracted for but not provided in the financial statements	0	0

11. Related Party Transactions

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

	£
Receipts	
The Cobtree Charity Trust Limited	22,188
Payments	
Maidstone Borough Council – Governance & Support Costs	103,859
Maidstone Borough Council – Debt Repayment	17,912

At 31st March 2012 £82,175 was owed by Maidstone Borough Council and is included within Debtors.

The Maidstone Borough Council is the Corporate Trustee of the Charity. In addition the Council itself owns part of the land upon which the golf course is built. The accounting arrangements between the Council and the Trust are that the Council is responsible for all receipts and payments for both the golf course and the Manor Park. At the end of each financial year the total net operating surplus or deficit of the Manor Park is transferred to the Trust accounts. For the golf course 7/9ths of the total net operating surplus or deficit is transferred to the Trust accounts, reflecting the split of land ownership. The remaining 2/9ths are shown in the accounts of the Council.

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The Council also employs the Park Ranger at the Manor Park, although the post exists solely for the benefit of the Trust and the cost of this employee is shown in the Trust accounts under the arrangements specified above.

12. Controlling Interest

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