

**MAIDSTONE BOROUGH COUNCIL**

**COBTREE MANOR ESTATE COMMITTEE**

**15<sup>TH</sup> JANUARY 2014**

**REPORT OF THE HEAD OF FINANCE & RESOURCES**

<b>Report prepared by: Paul Holland (Senior Accountant)</b>
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**1      ACCOUNTS 2012/13**

**1.1    Issue for Decision**

1.1.1 To consider the audited Report and Financial Statements for the financial year 2012/13.

**1.2    Recommendation of the Head of Finance & Resources**

1.2.1 That the Committee approves the Report and Financial Statements for the financial year 2012/13.

1.2.2 That the Committee approves the proposed response to the Management Letter as shown at 1.4.5.

**1.3    Reasons for Recommendation**

1.3.1 In July 2013 the Committee received the un-audited Report and Financial Statements for the financial year 2012/13.

1.3.2 Attached at **APPENDIX A** are the audited 2012/13 Report and Financial Statements from the external auditors, along with a Schedule of Adjustments, details of unadjusted misstatements, the Matters Arising letter and the Letter of Representation.

1.3.3 The accounts are required to be formally approved and signed before they are submitted to the Charity Commission, which must be done by 31<sup>st</sup> January 2014.

**1.4    Accounts 2012/13**

1.4.1 Following their examination of the Report and Financial Statements King & Taylor, the external auditors, recommended a small number of minor changes, which have now been incorporated into the audited version. The most significant change was a consequence of the investment income from Cobtree Charity Trust Ltd being slightly higher than was estimated in the draft Accounts. These are detailed in the Schedule of Adjustments shown as part of **Appendix A**.

1.4.2 These adjustments means that sum due from Maidstone Borough Council to the Cobtree Manor Estate has increased from £82,109 as per the draft accounts to £85,555. Now this sum has been confirmed payment will be made as soon as possible.

1.4.3 Also attached at **Appendix A** is the Letter of Representation, details of unadjusted misstatements and the Management Letter.

1.4.4 The Letter of Representation asks Trustees to confirm a number of statements relating to the audit and the information supplied to the auditors during the course of their audit.

1.4.5 The Management Letter draws attention to points of interest that the auditors have identified. Only one point has been raised and the comment on this is as follows:

- At present there is no obligation for the accounts to be formally audited by a registered auditor, but Trustees have chosen to have a formal audit. Based on the current thresholds Trustees could still elect to have an independent examination rather than a formal audit, but this point notes that this option may not be available in the future if the statutory thresholds are exceeded.

1.4.7 It is intended to formally respond to the Management Letter. Previously the draft response has been brought the Committee for approval, but given that only one point has been raised it is intended to respond as detailed above, subject to any further comments Trustees may wish to add.

## 1.5 Alternative Actions and Why Not Recommended

1.5.1 There are no alternative actions. The accounts, the Letter of Representation and the Schedule of Adjustments are required to be approved by Trustees and signed by the Chairman prior to their submission to the Charity Commission.

## 1.6 Impact on the Charity's Objectives

1.6.1 The net surplus on the activities of the Golf Course and Manor Park are to be used to further the long term aims and objectives of the Trust, particularly the agreed Master Plan for the development of the Manor Park.

## 1.7 Risk Management

1.7.1 The timely submission of audited accounts to the Charity Commission demonstrates good financial management on the part of the Trust.

## 1.8 Other Implications

Financial  
Staffing  
Legal  
Social Inclusion  
Environmental/Sustainable Development  
Community Safety  
Human Rights Act  
Procurement  
Asset Management

<b>X</b>

## 1.9 Financial Implications

1.9.1 Financial Implications are detailed in the report above.

### **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?

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Is this an Urgent Key Decision?      Yes      ☐      No      ☒

Reason for Urgency

Not applicable