

Cobtree Manor Estate

Charity No. 283617

**THE CHARITY KNOWN AS
"COBTREE MANOR ESTATE"**

Corporate Trustee Report and Financial Statements

for the Year Ended 31 March 2013

Cobtree Manor Estate

Trust Information

Corporate Trustee	Maidstone Borough Council
Trustees	There are no individual Trustees. All elected Members of the Maidstone Borough Council perform the duties of Trustees, but are not trustees in their own right. A full list of Members is available on request.
Charity Number	283617
Principal Office	Maidstone Borough Council Maidstone House King Street Maidstone, Kent. ME15 6JQ
Auditors	King & Taylor (Audit) Limited 4 th Floor, Joynes House New Road, Gravesend Kent DA11 0AT
Bankers	All funds are managed by Maidstone Borough Council at: Lloyds TSB Bank plc City Bank Office Bailey Drive Gillingham Kent ME8 0LS
Solicitors	Head of Corporate Law and Legal Services Maidstone Borough Council Maidstone House King Street Maidstone, Kent. ME15 6JQ

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Trustees Report

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 31st March 2013.

Trustees

The trustees who served during the year are 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.

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Trustees Report

ACHIEVEMENTS AND PERFORMANCE

Changes since the last Report

The Cobtree Charity Committee continues to comprise of four Members of the Cabinet. The Members of the Committee during the reporting year were Councillors John A. Wilson (Chairman), Christopher Garland, Eric Hotson, and Malcolm Greer. In common with the operation of all Cabinet decisions, those of the Charity Committee were subject to the scrutiny of other Council Members. No decisions of the Committee relating to the Cobtree Estate were called in for scrutiny.

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.

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 two 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

Cobtree Manor Estate

Trustees Report

- the Cobtree Manor Park Golf Course - which is a pay and play facility accessible to all.

Cobtree Golf Course

The following activities and works were completed on the Cobtree Manor Park Golf Course during the reporting year to enhance the attractiveness of the facility and to ensure its availability to the general public:

Year	Rounds Played	No. of Registrations
2008/2009	40,187	875
2009/2010	43,913	837
2010/2011	41,784	599
2011/2012	41,223	554
2012/2013	36,006	422

Whilst roundage figures have dropped this has been a reflection of the weather over the previous year, and the slow decline in golf as a recreation nationally. Cobtree continues to be one of the top performing courses in the MyTime group.

There have been no notable works carried out over the past year other than continuous ongoing bunker improvements. Improvements to the golf course continue to remain a high priority for the Charity. Future investment will continue to be in partnership with the contract operator; the objective is to ensure that the quality of the course remains protected and thus ensure that the course remains successful and accessible to the people of Maidstone and the surrounding area.

The contract payment to the Council continued to fund the maintenance of the Estate and will be used to contribute towards the proposed improvements programme for the Cobtree Manor Park. Discussions regarding the 5 year extension of the lease with MyTime are ongoing.

Cobtree Manor Park

The following works and activities were carried out to enhance the appeal of Cobtree Manor Park to attract a greater numbers of visitors.

Phase one of the Cobtree Master Plan improvement plan, the installation of the outlying play equipment was completed. Phase 2 of the improvement plan was implemented and almost finished by the end of the financial year 2012/2013.

Volunteers continue to contribute man-days of effort to help with both practical and research tasks. Members of the general public contributed a total 154 hours of voluntary effort.

The events programme included 29 events (mostly themed guided walks) and these were attended by 446 people.

One work placement student from Hadlow College worked one day a week during term time (voluntary work, hours included above).

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Three thousand free information leaflets advertising the events programme for the coming year were designed, printed and distributed.

The following works relating to the park were carried out:

- installation of the "7 Ages" sculpture seat by Will Glanfield
- installation of nine pieces of play equipment in early summer 2012
- further coppicing of selected shrubberies
- full inspection of trees over 300mm survey followed by tree surgery, as recommended by the consultant
- construction of the zoo-fort play area
- enlargement of the car parking area from 100 car spaces to 150 in the main car park and 35 in the overflow car park
- construction of a network of hard footpaths

There was one incident of criminal damage reported to police and a few incidents of very minor vandalism.

Footfall, as estimated by weekly car count on Wednesday at 1pm, in 2012/2013 was up by 15% on the 12 months of the 2011/12 period. However the 6-week period of the summer holidays showed a 105% increase (2012 compared to 2011).

Footfall as shown by the gate counters in the 10 months since installation (1st June 2012 to 31st March 2013) was 156,445 averaging 15,644 per month.

Property

The following figures were spent on maintenance:

Cobtree Manor Park

Reactive: £5,511

Planned: £6,643

Of this reactive maintenance work on 4 Stream Cottages was £2,971.

Golf Course

Reactive: £59

Planned: £6,439

Renovations to 4 Stream cottages reflect the requirement to bring the property up to standard to enable re-letting. The cost in the rent has doubled to reflect current market value and will cover this initial outlay within 4 months.

Volunteer Help and Intangible Income

The volunteer help given on the estate is referred to above; it is most probable that the Kent Wildlife Trust and the Museum of Kent Life Trust will have continued to receive such assistance in the pursuit of their activities.

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Trustees Report

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. 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.

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 Park Ranger at the Manor Park and a Cobtree Officer. These posts exist solely for the benefit of the Charity and the cost for each is shown in the Charity accounts under the arrangements specified above. Other officers of the Council are engaged from time to time in duties specifically related to the operation and management of the Estate; their time and associated costs are apportioned accordingly to the Cobtree accounts.

FINANCIAL REVIEW

Financial Review and Investment Policy

The net surplus generated as per the Statement of Financial Activities 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.

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.

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Trustees Report

PLANS FOR FUTURE PERIODS

The Trustee has now begun the implementation of a revised master plan for the Cobtree Manor Park and has obtained permission from the Charity Commission for the use of reserve funds for its implementation. The second phase of the master plan is due to be completed in the coming financial year with the third phase also being scheduled to begin in this period.

Trustees' 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;
- observe the methods and principles in the Charities SORP;
- 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Trustee on And signed on its behalf by

Councillor
Chairman of the Cobtree Manor Estate Charity Committee

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Independent Auditors Report

Independent Auditor's Report to the Trustees of Cobtree Manor Estate

We have audited the financial statements of Cobtree Manor Estate for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. 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 auditor's 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2013, and of its incoming resources and application of resources, for the year then ended;

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Independent Auditors Report

Independent Auditor's Report to the Trustees of Cobtree Manor Estate continued

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual 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.

King & Taylor (Audit) Limited
Statutory Auditors

Date

4th Floor,
Joynes House
New Road
Gravesend
Kent DA11 0AT

Cobtree Manor Estate
For the year ended 31 March 2013

Statement of Financial Activities and Summary Income and Expenditure Account	Unrestricted £	Restricted £	Endowment £	2013 Total £	2012 Total £
Note	£	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds:					
Investment income	72,147			72,147	67,458
Will Trust		49,868		49,868	45,922
Rental income	18,901			18,901	20,360
Donations & gifts				0	0
Incoming resources from charitable activities:					
Golf club revenue	203,825			203,825	194,170
Other incoming resources:					
Other income				0	0
Total Incoming Resources	294,873	49,868	0	344,741	327,910
RESOURCES EXPENDED					
Costs of charitable activities	446,745	39,323		486,068	186,060
Governance Costs	9,825	10,545		20,370	19,751
Total Resources Expended	456,570	49,868	0	506,438	205,811
Net Incoming/(Outgoing) resources before transfers	(161,697)	0	0	(161,697)	122,099
Transfers between funds				0	0
Net Incoming/(Outgoing) resources before revaluations	(161,697)	0	0	(161,697)	122,099
Gains and (losses) on revaluations of fixed assets for use in the charity				0	0
Gains and (losses) on investment assets			198,770	198,770	(24,228)
Net movement in funds	(161,697)	0	198,770	37,073	97,871
Fund balances brought forward	103,184	0	2,761,003	2,864,187	2,766,316
Fund balances carried forward	(58,513)	0	2,959,773	2,901,260	2,864,187

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on Pages 11 - 18 form an integral part of these financial statements.

Cobtree Manor Estate
For the year ended 31 March 2013

Balance Sheet
as at 31 March 2013

Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2013 £	Total 2012 £
Fixed Assets					
Cobtree Manor Golf Course			500,392	500,392	500,392
Garden Lodge			97,273	97,273	97,273
2 Stream Cottages			98,980	98,980	98,980
3 Stream Cottages			100,872	100,872	100,872
4 Stream Cottages			94,180	94,180	94,180
Golf Course Land			544,444	544,444	544,444
Tangible assets	0	0	1,436,141	1,436,141	1,436,141
Investments	3,304	0	1,523,632	1,526,936	1,328,166
	3,304	0	2,959,773	2,963,077	2,764,307
Current Assets					
Cash and bank in hand	154,053			154,053	923
Debtors	85,555			85,555	103,277
	239,608	0	0	239,608	104,200
9	(301,246)	0	0	(301,246)	(4,320)
Creditors: Amounts falling due within one year					
	(61,638)	0	0	(61,638)	99,880
Net current assets (liabilities)					
	(58,334)	0	2,959,773	2,901,439	2,864,187
Total assets less current liabilities					
	0	0	0	0	0
Creditors: Amounts falling due in more than one year					
	(58,334)	0	2,959,773	2,901,439	2,864,187
Net assets					
Reserves					
Charity's Funds					
10	(58,513)	0	2,959,773	2,901,260	2,864,187

Approved by the Trustees on _____ and signed on their behalf by:

Councillor
Chairman of the Cobtree Estate Committee

The notes on Pages 11 - 18 form an integral part of these financial statements.

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Notes to the financial statements for the year ended 31 March 2013

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 April 2008) and the Charities Statement of Recommended Practice (SORP) and the Financial Reporting Standards for Smaller Entities (effective April 2008).

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

Cobtree Manor Estate

Notes to the financial statements for the year ended 31 March 2013

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: -

	2013	2012
	£	£
Auditors' Remuneration – audit services	4,500	4,320

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

	Unrestricted Funds	Restricted Funds	Total 2013	Total 2012
	£	£	£	£
Staff costs (see note 5)	-	25,327	25,327	30,088
Grounds maintenance	72,446	13,996	86,442	79,607
Capital Expenditure	296,746	-	296,746	-
Utilities	45,480	-	45,480	55,639
Property repairs	32,073	-	32,073	20,726
	446,745	39,323	486,068	186,060

b) Support costs included within the cost of activities

	Unrestricted Funds	Restricted Funds	Total 2013	Total 2012
	£	£	£	£
Staff costs	-	25,327	25,327	30,088
Grounds maintenance	-	13,996	13,996	28,561
Utilities	45,480	-	45,480	25,458
	45,480	39,323	84,803	84,107

Cobtree Manor Estate

Notes to the financial statements for the year ended 31 March 2013

c) Governance Costs

	Unrestricted Funds	Restricted Funds	Total 2013	Total 2012
	£	£	£	£
Human resources	-	998	998	1,144
Democratic services	-	-	-	2,853
Legal costs	3,480	4,476	7,956	4,660
Financial advice	1,845	5,071	6,916	6,774
Audit and accountancy	4,500	-	4,500	4,320
	<u>9,825</u>	<u>10,545</u>	<u>20,370</u>	<u>19,751</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 was:

	2013	2012
Manor Park Grounds Maintenance	1	1
Park Ranger	1	1
	<u>2</u>	<u>2</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).

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Notes to the financial statements for the year ended 31 March 2013

6. Tangible Fixed Assets

	Long Leasehold Land & Buildings £	Total £
Cost or Valuation		
At 1 st April 2012	1,436,141	1,436,141
Revaluations	0	0
At 31 st March 2013	1,436,141	1,436,141
Net Book Values		
At 31 st March 2013	1,436,141	1,436,141
At 31 st March 2012	1,436,141	1,436,141

The closing net book value includes assets used for:

	2013 £	2012 £
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 next valuation is due in April 2013.

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

	2013 £	2012 £
Leasehold Land & Buildings	940,688	940,688

Cobtree Manor Estate

Notes to the financial statements for the year ended 31 March 2013

7. Fixed Asset Investments

	Listed Investments £	Total £
Market Value at 1 st April 2012	1,328,166	1,328,166
Additions		
Revaluations	198,770	198,770
Market Value at 31 st March 2013	1,526,936	1,526,936

Net Book Values

At 31st March 2013 1,526,936 1,526,936

At 31st March 2012 1,328,166 1,328,166

Fixed Asset Investments

	2013 £	2012 £
Market Valuation of listed investments	1,526,936	1,328,166
Historical cost information	1,290,000	1,290,000

Breakdown of historical cost information:

	2013 £	2012 £
Endowment funds	1,290,000	1,290,000
	1,290,000	1,290,000

8. Debtors

	2013 £	2012 £
Other debtors	85,555	103,277
	85,555	103,277

Cobtree Manor Estate

Notes to the financial statements for the year ended 31 March 2013

Creditors: Amounts Falling Due Within One Year

	Unrestricted Funds £	Endowment Funds £	2013 Total £	2012 Total £
Other creditors – Maidstone BC	296,746	-	296,746	-
Accruals & Deferred Income	4,500	-	4,500	4,320
	301,246	-	301,246	4,320

9. Reserves

	Restricted Funds £	Unrestricted Funds £	Revaluation Reserve £	Permanent Endowmen t £	Total £
At 1st April 2012	-	103,184	495,453	2,265,550	2,864,187
Revaluation of property	-	-	-	-	-
Net incoming resources	-	(161,697)	-	-	(161,697)
Increase/(Decrease) in value of investments	-	-	-	198,770	198,770
At 31st March 2013	-	(58,513)	495,453	2,464,320	2,901,260

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.

Cobtree Manor Estate

Notes to the financial statements for the year ended 31 March 2013

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:

Permanent Endowment Assets

	2013	2012
	£	£
Long Leasehold Land & Buildings	1,436,141	1,436,141
Investments at Market Value (Note 7)	1,526,936	1,328,166
	<u>2,963,077</u>	<u>2,764,307</u>

10. Capital Commitments

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

	2013	2012
	£	£
Authorised, but not contracted as at 31 st March 2013	768,254	1,065,000

The Charity has approved a Master Plan for the enhancement of the Cobtree Manor Park. The works will be carried out in three phases, with the anticipated completion date of May 2013 for the first two phases:

- Phase 1: Play Area
- Phase 2: Parks works
- Phase 3: Visitor Centre/Cafe works

The Capital Commitment will be financed by the release of £1,065,000 from the endowment fund, which was secured on 17th May 2012, by Order of the Charity Commission.

The Commission directs the Trustee to replace the sum withdrawn by setting aside for 30 years thirtieth part of the sum spent.

11. Related Party Transactions

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

	£
Receipts	
The Cobtree Charity Trust Limited	49,868

Cobtree Manor Estate

Notes to the financial statements for the year ended 31 March 2013

Payments

Maidstone Borough Council – Governance & Support Costs	101,464
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As at 31 March 2013, £85,555 (2012:£103,277) was due from Maidstone Borough Council, as included within Other Debtors. However at the same date £296,746 (2012:£nil) was owed to Maidstone Borough Council, as included within Other Creditors.

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.

The Council employs the Park Ranger at the Manor Park and a Cobtree Officer (within the Governance & Support costs balance above - see note 5). The posts exist solely for the benefit of the Charity and the cost of their employment is shown in the Charity accounts under the arrangements specified above.

12. Controlling Interest

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

**COBTREE MANOR ESTATE
YEAR ENDING 31 MARCH 2013
ADJUSTMENTS TO DRAFT FINANCIAL ACCOUNTS PRODUCED BY COUNCIL**

ADJUSTMENTS TO SoFA

Surplus per client draft accounts, (before transfers), year ending 31st March 2013	£ 165,464
Surplus per finalised Audited Accounts, (before transfers) year ending 31st March 2013	£ 161,697
Variance	<u><u>-£ 3,767</u></u>

Adjustment made (variance explained)

Will Trust Income understated due to under-provision of YE 2012 debtor:	£ 3,946
Provision	45,922
Actually received 5 Sept 2012	- 49,868
	<u><u>- 3,946</u></u>

Accruals over stated	-£ 500
Total net adjustments within the SoFA	<u><u>£ 3,446</u></u>

Adjustments to MBC Other Debtor balance

Council Other Debtor balance per draft accounts, year ending 31st March 2013	£ 82,109
Council Other Debtor balance per finalised Audited Accounts	£ 85,555
Variance	<u><u>£ 3,446</u></u>
Add Accountancy adjustment for £500 accrued less £180 SOFA adjustment	£ 320
Rounding	£ 1
Total net adjustments with the SoFA, as per above	<u><u>£ 3,767</u></u>

I approve the above adjustments to the year ending 31st March 2013 accounts:

Name

Capacity in which signed

Signature

Date

King & Taylor (Audit) Ltd

Chartered Accountants & Registered Auditors

4th Floor, Joynes House
New Road, Gravesend
Kent DA11 0AT

Tel: 01474 569777
Fax: +44 (203) 348 8767
www.kingandtaylor.co.uk

RGH/JH/5664

The Committee
Cobtree Manor Estate
Maidstone Borough Council
Maidstone Gateway,
King Street,
Maidstone, Kent ME15 6JQ

6th December 2013

Dear Sirs,

COBTREE MANOR ESTATE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2013

Unadjusted misstatements noted during the course of the audit

The purpose of this letter is to report to you unadjusted misstatements noted during the course of our audit work for the year ended 31 March 2013. This letter is not meant to be an exhaustive list of misstatements, it simply points out those which actually came to our attention during the course of our audit work. Our tests, which are designed to assist us in forming our opinion on the financial statements, may not necessarily disclose all errors or irregularities and should not be relied upon to do so.

The amount of the misstatement and the effect on the statement of financial activities for the year is set out below.

These items have not been adjusted in the accounts as they are not considered material.

	Description	Amount £
	(income understated/expense overstated)	
1	My Time income difference when reviewed	(158)
2	Rental Income understated	(99)
	TOTAL	(257)

Yours faithfully

K+T

King & Taylor

King & Taylor (Audit) Ltd

Chartered Accountants & Registered Auditors

4th Floor, Joynes House
New Road, Gravesend
Kent DA11 0AT

Tel: 01474 569777
Fax: +44 (203) 348 8767

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Our Ref: JH/5664

The Committee
Cobtree Manor Estate
Maidstone Borough Council
Maidstone Gateway,
King Street,
Maidstone, Kent ME15 6JQ

th December 2013

Dear Sirs

The purpose of this letter is to report to you the principal findings of our audit work for the year ended 31 March 2013. This management letter is not meant to be an exhaustive list of improvements which are possible, it simply points out matters which actually came to our attention during the course of our audit work. Our audit tests, which are designed to assist us in forming our opinion on the financial statements, may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would like to draw your attention to the following points:

Observations	Comments
<p>1. We draw your attention to current statutory audit thresholds:</p> <ul style="list-style-type: none">- Gross income exceeds £500,000; or- Gross income exceeds £250,000 and gross assets exceed £3,260,000. <p>In addition, an audit is also required, irrespective of income or gross asset limits, if it is specifically stipulated within the Charity's governing document.</p> <p>Historically, the Corporate Trustee has taken the decision to appoint auditors. This decision was made taking account of any independence issues raised by the Charity Commission, particularly the relationship and transactions undertaken between the Council and Charity.</p> <p>We understand that in future years the Charity is intending to continue this practice and appoint us as auditors. However we draw your attention to the current statutory audit limits.</p>	

We would welcome your comments to these recommendations in due course. One of our members of staff would be happy to assist in implementing any of these changes.

Yours faithfully,

A handwritten signature consisting of the letters 'K' and 'T' joined together with a plus sign, written in a cursive style.

King & Taylor (Audit) Limited

The Committee
Cobtree Manor Estate
Maidstone Borough Council
Maidstone Gateway,
King Street,
Maidstone, Kent ME15 6JQ

King & Taylor (Audit) Limited
Chartered Accountants
Statutory auditors
4th Floor Joynes House
New Road
Gravesend
Kent
DA11 0AT

6th December 2013

Dear Sirs,

We confirm that the following representations in connection with your audit of the financial statements for the year ended 31 March 2013 are made on the basis of enquiries of management and staff with relevant knowledge and experience (and where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you.

1. General

To the best of our knowledge and belief all transactions undertaken by the charity have been properly recorded in the accounting records and these financial statements and all relevant records have been given to you.

The financial statements are free of material misstatements, including omissions.

We believe that the effect of uncorrected misstatements is immaterial both individually and in total.

2. Internal Control

We acknowledge as trustees our responsibility for the design and implementation of internal control systems to prevent and detect fraud. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud. There have been no irregularities (or allegations of irregularities) involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

3. Accounting Policies

The accounting policies used are detailed in the financial statements and are consistent with those adopted in the previous financial statements.

4. Statement of Financial Activities (Unrestricted funds)(-£58,513)

Except as disclosed in the financial statements, the results for the year were not materially affected by:

- (a) transactions of a sort not usually undertaken by the company,
- (b) circumstances of an exceptional or non-recurrent nature,
- (c) charges or credits relating to prior periods or
- (d) any change in the basis of accounting.

Any expenditure included in the financial statements (where receipts or vouchers were not available) was properly made in connection with the carrying on of the company's business, unless specifically notified to you as being of a private nature.

5. Fixed Assets (£2,963,077)

- (a) The company has a satisfactory title to all fixed assets included in the financial statements.
- (b) The fixed assets to which the company has satisfactory title are included in the financial statements.
- (c) All amounts of expenditure capitalised in respect of fixed assets as detailed in the financial statements represent expenditure incurred in acquiring additional assets or improving existing assets. No expenditure capitalised is of a revenue nature.

6. Debtors (£85,555)

Balances included in the financial statements are all valid debtors or prepayments. The bad debts written off are complete as far as the Trustees are aware and full provision has been made against specific debts which are known or may be expected to be irrecoverable.

7. Other Current Assets (£154,053)

In our opinion, other current assets are expected to realise in the ordinary course of business at least the amounts at which they are stated in the company's Balance Sheet.

8. Liabilities (£301,246)

All known liabilities of material amount at 31 March 2013 are shown in the financial statements including the liability for all purchases to which title has passed prior to 31 March 2013.

9. Capital Commitments

All commitments for capital expenditure at 31 March 2013 are shown in Note 15 of the financial statements.

10. Contingent Liabilities

No contingent liabilities existed at 31 March 2013.

11. Post Balance Sheet Events

No events have occurred between 31 March 2013 and the date of this letter which could materially affect the financial statements.

12. Transactions with Trustees

The Charity has had at no time during the year any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for the Trustees nor to guarantee or provide security for such matters.

13. Other Related Party Transactions

All other related party transactions for the year ended 31 March 2013 are shown in Note 11. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matter which require disclosure in order to comply with the requirements of the Charities Act 2011 or the SORP.

14. Going Concern

In our opinion, the company will have adequate resources available to finance its trading and other obligations during the course of the twelve months from the date of this letter.

15. Law and Regulations

We confirm that the company has complied with all law and regulations relevant to the activities of the company during the year under audit and that we have made available all such relevant information necessary for audit purposes.

16. Restricted Funds

All restricted income has been properly identified in the accounts. The expenditure relating to this income has been properly recorded and allocated to the relevant income.

Yours faithfully,

Maidstone Borough Council

Trustee