

**Registered number: 02987890**

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Directors' Report and Financial Statements**

**For the Year Ended 31 March 2020**

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Company Information**

<b>Directors</b>	Christine Parsons Jackie Scorer Michael Adu Lee Page Liam McGrath (appointed 17 April 2019) Daniel Kanu John Lynch Nick Pandey Jacqueline Roche Deborah Walsh Martina Moh (appointed 18 May 2020)
<b>Company secretary</b>	Andrew Bates
<b>Registered number</b>	02987890
<b>Registered office</b>	26 Leathermarket Street Bermondsey London SE1 3HN
<b>Independent auditor</b>	Kreston Reeves LLP Chartered Accountants & Statutory Auditor Third Floor 24 Chiswell Street London EC1Y 4YX

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

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**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Directors' Report**  
**For the Year Ended 31 March 2020**

The directors present their report and the financial statements for the year ended 31 March 2020.

**Principal activity**

The Company's principal activity during the year was the management and administration of land and properties on the Leathermarket Estates.

**Business review**

Leathermarket JMB is in a strong financial position, with the surplus in 2019/20 of £1,133,214 increasing reserves to £5,646,955. During a time of uncertainty with Covid-19 lockdowns, the country in recession and unemployment and underemployment rising, this gives the JMB solid financial foundations to see us through difficult times.

We are also planning an ambitious acceleration of major works for the next two years, with £7 - £8 million of works planned, spending up to £4 million of reserves. We are therefore planning audited deficits in the next two years as we spend these reserves. This is only possible because we have the money saved in reserves and we have built strong controls for letting and managing the major works contracts.

Schemes planned include Crosby Row, White's Grounds Estate and Lawson Estate phase 2 which will concentrate on repairs and redecorations to external and communal areas. We are also intending to start bathroom replacements for tenants, starting on Elim Estate and progressing to Tyers, rolling out to other estates thereafter. We continue to focus on fire risk assessments and recommended follow on works. Full details of our major works programme are set out in our annual report.

Rent collection continued at a good level in 2019/20, with 100.10% collected of the total billed excluding rent loss whilst a property is re-let. 2019/20 was also the first year we collected service charges from homeowners. Annual service charge collection was strong at 98.8% of money due. If residents find themselves in financial difficulty, please talk to your resident services officer who can help you identify any support you are entitled to. 95% of our income comes from tenants and homeowners. Thank you for paying promptly as it enables us to deliver the services on the estates.

The homeowner 2019/20 actual revenue service charges have just been issued and in total are very similar to the 2018/19 charge, with the total charged £3,600 down. This is a bigger saving in real terms as you would expect charges to go up by inflation.

During 2019/20 we restructured how we deliver services. We now have a Resident Services Officer (RSO) responsible for all services on a patch of 250-300 properties. This means all residents have a single point of contact to report repairs & housing issues, discuss rent and service charge payment and deal with other queries. They can be contacted by emailing [residentservices@leathermarketjmb.org.uk](mailto:residentservices@leathermarketjmb.org.uk) or telephoning the office during office hours on 020 7450 8000 and asking for your RSO. We have also strengthened our controls and management of major works, with a new Property Services Manager and major works consultant and changed the way we manage responsive repairs and contracts.

The biggest uncertainty is around the impact of the Covid-19 pandemic. At the end of March 2020, when the UK entered lockdown, the JMB had to evolve quickly to allow more home working and fewer staff in the office. As lockdown eased we have been able to make the office Covid-safe and increased the number of staff who can safely work. We are continuing to provide a full responsive repairs, estate cleaning and estate gardening service. We are currently able to offer limited office opening and appointments. However we do not know how Government guidance will change as the winter approaches and cases rise again. Our overriding aim is to deliver the best services to residents whilst protecting the safety of residents and staff. Please email [enquiries@leathermarketjmb.org.uk](mailto:enquiries@leathermarketjmb.org.uk) , keep an eye on the Leathermarket JMB website or call the office for the most up-to-date information.

**Leathermarket Joint Management Board**  
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**Directors' Report (continued)**  
**For the Year Ended 31 March 2020**

**Directors**

The directors who served during the year were:

Jean Ellen Davies (resigned 10 September 2019)  
George Ronald Grime (resigned 2 January 2020)  
Christine Parsons  
Jackie Scorer  
Michael Adu  
Lee Page  
Liam McGrath (appointed 17 April 2019)  
Sean Jeanette (resigned 18 May 2020)  
Daniel Kanu  
John Lynch  
Nick Pandey  
Jacqueline Roche  
Deborah Walsh

**Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Leathermarket Joint Management Board**  
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**Directors' Report (continued)**  
**For the Year Ended 31 March 2020**

**Auditor**

The auditor, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 September 2020 and signed on its behalf.

Andrew Bates  
Secretary

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report to the Shareholders of Leathermarket Joint Management Board**

**Opinion**

We have audited the financial statements of Leathermarket Joint Management Board (the 'Company') for the year ended 31 March 2020, which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit 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 Companies Act 2006.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report to the Shareholders of Leathermarket Joint Management Board**  
**(continued)**

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report to the Shareholders of Leathermarket Joint Management Board**  
**(continued)**

**Auditor's responsibilities for the audit of the financial statements**

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 Auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report to the Shareholders of Leathermarket Joint Management Board**  
**(continued)**

**Use of our report**

This report is made solely to the Company's shareholders in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's shareholders 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 Company and the Company's shareholders for our audit work, for this report, or for the opinions we have formed.

Peter Hudson BA FCA (Senior Statutory Auditor)  
for and on behalf of  
**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor  
London

28 September 2020

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Income Statement**  
**For the Year Ended 31 March 2020**

	Note	2020 £	2019 £
Income		7,442,021	8,039,032
Direct costs		<u>(5,125,203)</u>	<u>(5,915,327)</u>
<b>Gross surplus</b>		<b>2,316,818</b>	<b>2,123,705</b>
Administrative expenses		<u>(1,205,465)</u>	<u>(1,193,633)</u>
<b>Operating surplus</b>		<b>1,111,353</b>	<b>930,072</b>
Interest receivable and similar income		<u>26,989</u>	<u>18,960</u>
<b>Surplus before tax</b>		<b>1,138,342</b>	<b>949,032</b>
Tax on profit	5	<u>(5,128)</u>	<u>(3,602)</u>
<b>Surplus for the financial year</b>		<u><b>1,133,214</b></u>	<u><b>945,430</b></u>

There were no recognised gains and losses for 2020 or 2019 other than those included in the income statement.

The notes on pages 11 to 15 form part of these financial statements.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**  
**Registered number: 02987890**

**Balance Sheet**  
**As at 31 March 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	6	<u>19,648</u>	<u>21,312</u>
		<b>19,648</b>	<b>21,312</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	470,192	1,479,347
Cash at bank and in hand		<u>5,916,790</u>	<u>5,353,556</u>
		<b>6,386,982</b>	<b>6,832,903</b>
Creditors: amounts falling due within one year	8	<u>(759,675)</u>	<u>(2,340,474)</u>
<b>Net current assets</b>		<u><b>5,627,307</b></u>	<u><b>4,492,429</b></u>
<b>Total assets less current liabilities</b>		<u><b>5,646,955</b></u>	<u><b>4,513,741</b></u>
<b>Net assets</b>		<u><u><b>5,646,955</b></u></u>	<u><u><b>4,513,741</b></u></u>
<b>Capital and reserves</b>			
Reserve fund	9	642,803	627,117
Income and expenditure account	9	<u>5,004,152</u>	<u>3,886,624</u>
		<u><b>5,646,955</b></u>	<u><b>4,513,741</b></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2020.

**Christine Parsons**  
 Director

The notes on pages 11 to 15 form part of these financial statements.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Statement of Changes in Capital and reserves**  
**For the Year Ended 31 March 2020**

	Reserve fund £	Income and expenditure account £	Total capital and reserves £
<b>At 1 April 2018</b>	<b>612,508</b>	<b>2,955,803</b>	<b>3,568,311</b>
<b>Comprehensive income for the year</b>			
Surplus for the year	-	<b>945,430</b>	<b>945,430</b>
<b>Total comprehensive income for the year</b>	-	<b>945,430</b>	<b>945,430</b>
Transfer to/from income and expenditure account	<b>14,609</b>	<b>(14,609)</b>	-
<b>At 1 April 2019</b>	<b>627,117</b>	<b>3,886,624</b>	<b>4,513,741</b>
<b>Comprehensive income for the year</b>			
Surplus for the year	-	<b>1,133,214</b>	<b>1,133,214</b>
<b>Total comprehensive income for the year</b>	-	<b>1,133,214</b>	<b>1,133,214</b>
Transfer to/from income and expenditure account	<b>15,686</b>	<b>(15,686)</b>	-
<b>At 31 March 2020</b>	<b>642,803</b>	<b>5,004,152</b>	<b>5,646,955</b>

The notes on pages 11 to 15 form part of these financial statements.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**1. General information**

Leathermarket Joint Management Board is a company limited by guarantee and incorporated in England and Wales with the registered number 02987890. The principal place of business is the same as its registered office being 26 Leathermarket Street, Bermondsey, London, SE1 3HN.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The financial statements have been prepared on a going concern basis. While the impact of the COVID-19 global pandemic has been assessed by the directors, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the entity. However, taking into consideration the UK government's response and the company's planning, the directors have a reasonable expectation that the entity will continue in operational existence for the foreseeable future.

**2.3 Revenue**

The company is entitled to an allowance, exclusive of Value Added Tax, equal to total rent collected. Rental income becomes due to the company when rent is collected and is therefore recorded on a cash basis.

Other income

This is included in the income and expenditure account on a receivable basis for funded programmes and on an accruals basis in respect of projects not completed at the end of the financial year.

**2.4 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**2. Accounting policies (continued)**

**2.5 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 20% straight line
Fixtures and fittings	- 20 - 33% straight line
Computer equipment	- 20 - 33% straight line

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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**3. Turnover**

The company derives its income from the rental of its properties, which is recognised for the period in which the property is let. Income is stated gross of any settlement discount offered. Turnover for the year is £7.44m (2019 : £8.04m)

**4. Employees**

The average monthly number of employees, including directors, during the year was 43 (2019 - 44).

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**5. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	5,128	3,602
<b>Total current tax</b>	<b>5,128</b>	<b>3,602</b>

**Factors affecting tax charge for the year**

The company is a not-for-profit operation with any surpluses made being reinvested in the properties of the members. Accordingly only investment income is taxable.

**6. Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2019	27,727	211,281	-	28,679	267,687
Additions	3,050	-	-	9,706	12,756
Disposals	(1,560)	-	-	(41,925)	(43,485)
Transfers between classes	-	(195,496)	3,927	191,569	-
At 31 March 2020	<b>29,217</b>	<b>15,785</b>	<b>3,927</b>	<b>188,029</b>	<b>236,958</b>
<b>Depreciation</b>					
At 1 April 2019	14,822	211,281	-	20,272	246,375
Charge for the year on owned assets	4,861	-	-	9,559	14,420
Disposals	(1,560)	-	-	(41,925)	(43,485)
Transfers between classes	-	(195,496)	3,927	191,569	-
At 31 March 2020	<b>18,123</b>	<b>15,785</b>	<b>3,927</b>	<b>179,475</b>	<b>217,310</b>
<b>Net book value</b>					
At 31 March 2020	<b>11,094</b>	<b>-</b>	<b>-</b>	<b>8,554</b>	<b>19,648</b>
At 31 March 2019	12,905	-	-	8,407	21,312



**Leathermarket Joint Management Board**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**7. Debtors**

	<b>2020</b>	2019
	£	£
Trade debtors	<b>243,666</b>	839,135
Other debtors	<b>200,000</b>	629,041
Prepayments and accrued income	<b>26,526</b>	11,171
	<b>470,192</b>	1,479,347

**8. Creditors: Amounts falling due within one year**

	<b>2020</b>	2019
	£	£
Trade creditors	<b>240,383</b>	1,270,214
Corporation tax	<b>5,128</b>	3,602
Other taxation and social security	<b>268,332</b>	350,210
Other creditors	<b>17,995</b>	16,831
Accruals and deferred income	<b>227,837</b>	699,617
	<b>759,675</b>	2,340,474

**9. Reserves**

**Profit and loss account**

The income & expenditure account comprises all current and prior period retained surpluses and deficits, less transfers to the reserve fund.

**Reserve fund**

The reserve fund holds a contingency amount in case of unexpected major works.

**10. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

**Leathermarket Joint Management Board**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 March 2020**

**11. Contingent liabilities**

At 31 March 2020 the company had capital commitments as follows:

	<b>2019</b>
	<b>£</b>
Contracted for but not provided in these financial statements	<b>150,000</b>

No contingent liabilities for the year. (2019 :£150,000) The above commitment was in relation to a party wall dispute. Costs of £173,892 were settled in November 2019. No further costs are anticipated.

**12. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £78,396 (2019 - £62,608). Contributions totalling £14,740 (2019 - £3,595) were payable to the fund at the balance sheet date and are included in creditors.

**13. Other financial commitments**

The company had total guarantees and commitments at the balance sheet date of £34,845 (2019 - £57,567). These guarantees and commitments wholly relate to future operating lease payments.

**14. Related party transactions**

The majority of directors are tenants or leaseholders of properties managed by the company, and all transactions are in accordance with normal trading terms.

Leathermarket Joint Management Board have previously made an interest-free loan of £200,000 to Leathermarket Community Benefit Society Limited, a company with directors in common. During the year the company made repayments of £nil (2019: £nil) and received additional finance from Leathermarket Joint Management Board of £50,000 (2019: £nil). As at 31 March 2020, an amount of £200,000 was outstanding (2019: £150,000). The loan is repayable on demand.

**15. Controlling party**

The residents of the properties that the company manages are members of the company. The members have delegated control to the Directors who are deemed to be the controlling party.

**16. Continuation ballot**

Continuation of Leathermarket Joint Management Board is dependent on the continuation ballot in Autumn 2021. For the company to continue to manage the Leathermarket Estates, 50% of all responding including at least 50% of responding secure tenants must vote in favour of the JMB to continue.

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Detailed income and expenditure account**  
**For the Year Ended 31 March 2020**

	<b>Note</b>	<b>2020</b>	2019
		<b>£</b>	<b>£</b>
Income		<b>7,442,021</b>	8,039,032
Direct costs		<b>(5,125,203)</b>	(5,915,327)
<b>Gross profit</b>		<b><u>2,316,818</u></b>	<u>2,123,705</u>
<b>Less: overheads</b>			
Administration expenses		<b>(1,205,465)</b>	(1,193,633)
<b>Operating profit</b>		<b><u>1,111,353</u></b>	<u>930,072</u>
Interest receivable		<b>26,989</b>	18,960
Tax on profit on ordinary activities		<b>(5,128)</b>	(3,602)
<b>Profit for the year</b>		<b><u><u>1,133,214</u></u></b>	<u><u>945,430</u></u>

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Schedule to the Detailed Accounts**  
**For the Year Ended 31 March 2020**

	<b>2020</b>	2019
	£	£
<b>Income</b>		
General income	<b>428,444</b>	1,024,058
Income from external contracts	<b>84,636</b>	151,688
Leaseholder income	<b>557,774</b>	534,087
Net rent receivable	<b>6,371,167</b>	6,329,199
	<b><u>7,442,021</u></b>	<u>8,039,032</u>
	<b>2020</b>	2019
	£	£
<b>Direct costs</b>		
Homeowner services	<b>138,498</b>	-
Cleaning	<b>365,552</b>	336,277
Planned and responsive repairs	<b>1,370,076</b>	1,513,851
Rent collection costs	<b>164,809</b>	128,259
Major works	<b>1,194,151</b>	2,002,157
London Borough of Southwark costs	<b>1,486,742</b>	1,512,252
Estate costs	<b>163,713</b>	185,302
Lifts	<b>80,639</b>	80,969
Court and legal fees	<b>88,962</b>	93,419
Ground maintenance	<b>72,061</b>	62,841
	<b><u>5,125,203</u></b>	<u>5,915,327</u>

**Leathermarket Joint Management Board**  
**(A Company Limited by Guarantee)**

**Schedule to the Detailed Accounts**  
**For the Year Ended 31 March 2020**

	2020 £	2019 £
<b>Administration expenses</b>		
Staff salaries	705,371	722,388
Staff pension costs - defined contribution schemes	49,986	43,039
Staff training	10,914	8,238
Office costs	141,610	143,616
Printing and stationery	22,273	22,274
Computer costs	34,256	31,880
Auditors' remuneration	16,963	16,950
Auditors' remuneration - non-audit	2,780	2,780
Portfolio management fee	17,935	21,255
Insurances	39,875	36,448
Profit/loss on sale of tangible assets	-	656
Business plan development	15,700	3,996
Directors' costs	15,180	10,237
Information technology support	115,925	117,736
CBS payments	-	(5,000)
Events	16,697	17,140
	<u>1,205,465</u>	<u>1,193,633</u>
	2020 £	2019 £
<b>Interest receivable</b>		
Bank interest receivable	26,989	18,960
	<u>26,989</u>	<u>18,960</u>