



PATMORE CO-OPERATIVE LIMITED

ANNUAL REPORT AND ACCOUNTS

For the year ended

31 MARCH 2022

Patmore Co-Operative Ltd, Co-Operative Office, Drury House
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COMMITTEE AND ADVISERS

| | |
|---|---|
| COMMITTEE | Mr Jimmy Dodd (Chair) Resigned June 2021 Ms Jennifer Henriques (Chair) Appointed June 2021 Miss Doreen Bennison Ms Jenneh Duwai (Treasurer) Miss Verline Forrest Ms Lorna Ashley Mrs Heather Kutsoati Mr Paul O'Halloran Ms Julie Cotter (Secretary) Resigned August 2021 Mr John Osbaldeston (Vice Chair) Co-Opted June 2021 Mr Bai Abo Gai Co-Opted June 2021 Ms Nicola Smart Co-Opted June 2021 |
| REGISTERED OFFICE | Patmore Co-Operative Ltd Drury House Stewarts Road Battersea London SW8 4JJ |
| BANKERS | National Westminster Bank plc PO Box No 3203 66/68 St Johns Road Battersea London SW11 1PB Santander 24/26 St Johns Road Clapham Junction London SW11 1QQ |
| AUDITORS | CLA Evelyn Partners Limited (Formerly Nexia Smith & Williamson) Statutory Auditors 45 Gresham Street London EC2V 7BG |
| LEGAL ADVISOR | Michael Creamore c/o Gregsons, Solicitors St Christopher's House Tabor Grove London SW19 4EX |
| CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT NUMBER | 27870R |

STAFFING ESTABLISHMENT

Co-Operative Manager

Christopher Laytham

Finance Officer

James Williams

Housing Officer

Rita McNabb

Housing Officer

Amina Miah

Estate Cleaner

Sheila Barry

CHAIRPERSON'S REPORT

SUMMARY

This report reviews the activities of the Patmore Co-Operative during the financial year from 1st April 2021 to 31st March 2022.

PROGRESS DURING 2021 -22

Vacant Properties

A total of 19 flats were re-let during the year. The average time to re-let was 8.73 weeks. This compares with 34 vacancies which were re-let at an average of 11.94 weeks during 2020-21.

| Quarter | Number of properties re-let | Average no of weeks to re-let |
|-------------------------|------------------------------------|--------------------------------------|
| April – June 2021 | 6 | 8.83 |
| July – September 2021 | 4 | 4.25 |
| October – December 2021 | 4 | 5.5 |
| January – March 2022 | 5 | 14.8 |

The relet periods were inflated by 3 voids which required several visits by pest control contractors to eliminate infestations and by 2 others which had adaptations and had to be offered out several times before they could be matched to an applicant with appropriate needs. The target during the coming year is to reduce turnround times to an average of around 4-5 weeks.

On a more positive point, we continued to ensure that where required, vacant flats had major works undertaken to bring them up to decent homes standards including renewal of kitchens and bathroom fittings and redecoration. Incoming tenants were generally pleased with the standard of their accommodation.

Repairs and Maintenance

The total number of works orders completed during the year for tenanted properties and communal repairs was 1,580 compared to 1,376 in 2020-21.

| Total number of repairs reported and carried out in each category | | Nos. reported | Carried out on target |
|--|---------------------|----------------------|------------------------------|
| Emergency | Max 24 hours | 78 | 98.71% |
| Urgent | Max 10 days | 940 | 93.08% |
| Standard | Max 28 days | 562 | 92.52% |
| Totals | | 1580 | 93.10% |

The main areas of activity in relation to repairs & maintenance were:-

- The numbers of repairs ordered has started to pick up again following the reduced levels of activity during the pandemic in 2020. However, the impact of Covid 19 was still apparent with contractors' workforces suffering absenteeism due to infection and self-isolation at various points of the year. This combined with the need to catch up on a backlog of work from the previous year, affected the numbers of repairs carried out within target times.

- After a number of years of increasing costs mainly due to works on windows, spending on communal repairs is starting to stabilise at just over £80,000. The roof and communal tank renewals under the major works programme, have led to reductions in expenditure on those areas. It is hoped that there will be a similar trend with the windows with major overhauls or renewals anticipated over the coming years.
- The Co-Op took up all of the £225,000 of additional funding from the Council for kitchen and bathroom refurbishments. This resulted in 24 kitchens and 31 bathrooms undergoing modernisation. Where kitchen renewals have been done, they have included not just replacement of units and worktops but also wall tiles and floor surfaces, upgrades to electrical fittings, new half hour fire check doors and re-decorations. Bathroom refurbishments include new bath, wash basin and WC, tiling to the full height of the wall around the bath, new flooring and redecoration. Given that the last substantial investment in kitchens and bathroom was in 1993-94, any improvements need to have a life of around 25 years.
- During the year, the final phase of roof renewals covering Drury, Morgan, Banister, Locke, Statham, Ashcroft and Woods Houses was completed under a Council major works contract. The contract also included external decorations which has enhanced the appearance of these buildings and new windows to the maisonette flats and major overhaul of the windows at Drury and Morgan Houses.
- Over the next 4 years, further projects are planned to carry out external decorations and either renewal or refurbishment of the windows. These will start at the Wandsworth Road end of the estate and work across to cover all of the buildings by mid to late 2020s.
- In early 2022, a Council contract to renew the water storage tanks on the roofs commenced. Over the years, many of the tanks have become corroded and there is inadequate insulation which makes them vulnerable to freezing up over winter and thermal gain in summer. There is also overcapacity in many tank rooms following the advent of combination boilers. These works will allow for the number of tanks to be rationalised and reduce water stagnation. Half of the estate will be completed this year with the remainder following in 2023.

Estate Services

In May 2021, the Green Team who provide the cleaning and grounds maintenance on the estate announced a substantial increase in their charges for providing these services. This was a concern to the Co-Op not least for the impact on service charges. We were unable to retender these contracts due to the imminence of the continuation ballot which took place in October and is referred to elsewhere in this report. With the ballot now completed, it is planned to start the tendering process so that new contracts can be in place during the summer months.

Playground Improvements

In November 2021, work commenced to refurbish 3 of the play areas located between Beattie/Bonsor Houses, next to Cudworth House, and at Hookham Court. This will allow for replacement of old equipment and equipment which had been previously removed as it was defective.

The Co-Op had been lobbying for this investment for a number of years and had carried out consultations with residents back in 2014. This had led to gym equipment being installed and some improvements at the Beattie/Bonsor House site. Further on-site meetings took place during 2019 in conjunction with the Community Engagement Advisory Group which seeks to involve local residents in the development of community facilities in the Nine Elms area. As a result, it has been possible to offer some exciting new equipment in line with what families want including a zip wire, table tennis and more gym equipment.

The programme of improvements is part of Wandsworth Council's use of funding from Nine Elms developments to invest in amenities in the local area. This includes investment in local walking and cycling facilities, a new park, leisure, health and school facilities, and opening up the Thames River Path.

Tenancy & Leasehold Issues

The Co-Op staff have dealt with a range of nuisance and anti-social behaviour issues:-

- Noise nuisance – 12 (includes loud music/TV, DIY, arguments, children playing, building sites)
- Dogs barking/fouling/out of control – 1
- Storing items in communal areas/disposal of rubbish – 2
- Holding barbecues - 1
- Feeding pigeons - 1
- Suspicious behaviour towards women - 1

In some instances, simple interventions from staff have the desired effect of preventing the escalation of the nuisance. Others can be more complicated involving children with special needs or mental health issues.

Complaints

14 complaints were received during the year for the following reasons:-

1. Cause of Complaint

| | |
|---------------------------------------|----|
| Repairs | 12 |
| Arising from Major Works Contracts | 3 |
| Pest Control | 1 |
| Cleaning | 1 |
| Staff (cross references with repairs) | 2 |

2. Response Time to Complaint

| | |
|----------------|----|
| Within 10 days | 12 |
| Over 10 days | 5 |

3. Result of Complaint

| | |
|------------------|----|
| Upheld | 10 |
| Not upheld | 4 |
| Partially upheld | 3 |

A complaint is defined as a report of poor service from the Co-Operative or its contractors. At one time, complaints were only counted where people had filled in the official form which is available from the Co-Op office. Now the figures include complaints reported verbally, by email, in person at the office and by letter.

Complaints are initially investigated by the Co-Operative Manager and a further stage allows for an appeal to the Chair of the Management Committee.

Each quarter, the Management Committee is provided with a report giving a summary of each complaint, the response time and whether the complaint has been upheld.

The Committee

10 members served on the Committee during the year.

In June 2021, the longstanding Chair of the Committee, Jimmy Dodd moved off the estate. Jimmy had given many hours of his time and had always spoken up for more resources for Patmore. The Vice Chair, Jennifer Henriques has stood in as Chair pending an Annual General Meeting which will be held during 2022.

The Committee has continued to meet with members offered the facility to attend meetings online as well as in person. This offers possibilities for the future in providing scope for more flexible arrangements for residents to attend meetings and hopefully increasing participation.

The redevelopment of the Patmore Centre site contains a proposal for a new community room and the Co-Op is currently in discussion with the Council about the features of this room and how it will be managed.

Continuation Ballot

Every 7 years, the Co-Op has to hold a ballot of the residents on the estate to decide on whether it continues to manage the estate under the terms of the management agreement with the Council. The ballot took place in October 2021. The turnout was a little lower than in the previous ballot in 2014 which was partly due to less campaigning as a result of the pandemic which was still ongoing during 2021. However, there was an increase in the percentage of both tenants (89%) and leaseholders (81%) voting in favour of the Co-Op. This provided a clear mandate for continued resident management of the estate with services delivered from our own office by our own staff.

Investment in the Estate

This report has highlighted the increasing and welcome investment in the estate. This is the fruition of a process over several years where the Co-Op has made submissions for funding backed by technical assessments. It is hoped that in the period up to the next ballot in 2028, most of the improvements to the buildings and the interiors of the flats can be completed. It is also hoped that a start can be made on improving the external parts of the estate. We have great assets in the green spaces and substantial numbers of trees and initiatives will be developed to realise their potential.

Financial Position

At the end of these accounts, there is a detailed income and expenditure breakdown. This indicates that a small surplus was generated in the year, there is an increase in the general reserve of just over £3,000 which now stands as £287,992. Reference has been made earlier in this report to increasing costs partly due to catching up on repairs following relaxing of restrictions after the pandemic together with the substantial price rise in the cleaning contract. The latter will be retendered during 2022 but given the general inflationary pressures in the economy, there is no guarantee that the costs of the contract will be reduced. Similar pressures will be the case with repair costs. Another uncertainty arises from the Council's stated intention to review the allowances during the current financial year. To plan for these factors and as part of the auditing process, the Co-Op did some budget projections for the next 2 years which indicate that care will be needed to protect the financial position.

Committee Members

The Committee Members who served during the year are detailed below:

- Lorna Ashley,
- Doreen Bennison,
- Jimmy Dodd, (Chair resigned 21 June 2021)

- Jenneh Duwai, (Treasurer)
- Verline Forrest,
- Jennifer Henriques, (Chair appointed 21 June 2021)
- Heather Kutsoati,
- Paul O'Halloran,
- Julie Cotter (resigned August 2021)
- John Osbaldeston (co-opted June 2021)
- Bai Abi Gai (co-opted June 2021)
- Nicola Smart (co-opted June 2021)

This report was approved by the Committee on 21 September 2022 and signed on their behalf by:



Committee Member Chair
Co-operative and Community Benefit Societies Act No: 27870R

STATEMENT OF COMMITTEE MEMBERS' RESPONSIBILITIES

Relevant legislation requires the Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit for that year. In preparing those financial statements, the Committee is required:

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

The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Society and to prevent and detect fraud and other irregularities.

Each of the persons who were members of the Committee at the time when this Chairperson's report is approved has confirmed that

- so far as that Committee member is aware, there is no relevant audit information of which the Co-Operative's auditors are unaware of, and
- the Committee member has taken all steps that ought to have been taken as a Committee member in order to be aware of any relevant audit information and to establish that the Co-Operative's auditors are aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PATMORE CO-OPERATIVE LIMITED

Opinion

We have audited the financial statements of Patmore Co-Operative Limited (the 'Co-Operative') for the year ended 31 March 2022 which comprise the Income and Expenditure Account, the Balance Sheet, and the notes to the financial statements, 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 FRS 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 Co-Operative's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

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 Co-Operative in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The Committee is responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

We have nothing to report in this regard.

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 Chairperson's Report .

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Co-Operative has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Responsibilities of the Committee

As explained more fully in the Statement of the Committee Members' Responsibilities set out on page 8, the Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the Committee determines 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 Committee is responsible for assessing the Co-Operative'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 Committee either intend to liquidate the Co-Operative or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the Co-Operatives legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the Co-Operative's policies and procedures in relation to compliance with relevant laws and regulations. We also drew on our existing understanding of the Co-Operative's industry and regulation.

We understand that the Co-Operative complies with the framework through:

- Updating operating procedures and internal controls as legal and regulatory requirements change; and
- The Committee's close oversight through regular board meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Co-Operative's ability to conduct operations and where failure to comply could result in material penalties. We

have identified the following laws and regulations as being of significance in the context of the Co-operative:

- FRS 102 and the requirements of the Co-operative and Community Benefit Societies Act 2014, in respect of the preparation and presentation of the financial statements; and
- Health and Safety legislation.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- Making enquiries with management and the Committee as to the risks of non-compliance and any instances thereof; and
- Reading minutes of meetings of those charged with governance.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Co-Operative's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were:

- Management override of control; and
- Revenue recognition, specifically the manipulation of revenue.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures carried out to gain evidence in the above areas included:

- Testing of a sample of journal entries; and
- Substantive work on revenue transactions.

The senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with Co-Operative's with similar risk profiles.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Co-Operative's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Co-Operative's members 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 Co-Operative and the Co-Operative's members as a body, for our audit work, for this report, or for the opinions we have formed.

CLA Evelyn Partners Limited

CLA Evelyn Partners Limited
Statutory Auditor Chartered
Accountants
Date **28/09/2022**

45 Gresham Street
London
EC2V 7BG

PATMORE CO-OPERATIVE LIMITED

INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 2022

| | Notes | 2022 £ | 2021 £ |
|--|--------------|-------------------------|-------------------------|
| Turnover | 1, 3 | 1,648,676 | 1,560,964 |
| Operating costs | 4 | (1,644,783) | (1,372,104) |
| | | <hr/> | <hr/> |
| Operating surplus | | 3,893 | 188,860 |
| | | <hr/> | <hr/> |
| Interest payable and similar charges | 7 | (630) | (557) |
| | | <hr/> | <hr/> |
| Operating surplus | 8 | 3,263 | 188,303 |
| Tax on profit | 1 | - | - |
| | | <hr/> | <hr/> |
| Surplus for the year after taxation | 14 | 3,263 | 188,303 |
| | | <hr/> <hr/> | <hr/> <hr/> |

All of the Co-Operative's operations are classed as continuing. There were no recognised surpluses or deficits in the period other than the surplus for the year.

PATMORE CO-OPERATIVE LIMITED

BALANCE SHEET as at 31 March 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|-----------|-----------|
| Fixed assets | 10 | 5,490 | 19,177 |
| Current assets | | | |
| Debtors: amounts falling due within one year | 11 | 146,694 | 587,706 |
| Cash at bank and in hand | | 485,425 | 156,181 |
| | | 632,119 | 743,887 |
| Creditors: amounts falling due within one year | 12 | (349,617) | (478,335) |
| Net current assets | | 282,502 | 265,552 |
| Total assets less liabilities | | 287,992 | 284,729 |
| Capital and reserves | | | |
| Non-equity share capital | 13 | 566 | 566 |
| General reserve | 14 | 287,426 | 284,163 |
| | | 287,992 | 284,729 |

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 accounts were approved and authorised by the Committee on 21 September 2022 and signed on its behalf by:



J Henriques - Chair



JOHN OSBALDESTON (Sep 28, 2022 17:23 GMT+1)

J Osbaldeston - Vice Chair



Jenneh Duwai (Sep 28, 2022 16:16 GMT+1)

J Duwai - Treasurer

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2022

1. Basis of accounting

Patmore Co-Operative Limited (the “Co-Operative”) is a registered Community Benefit Society under the Co-operative and Community Benefit Societies Act 2014 and was incorporated in England. The address of the registered office is disclosed on page 2.

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

Going concern

The Co-Operative has generated a surplus in the year of £3,263 (2021: surplus £188,303) resulting in a general reserve as at 31 March 2022 of £287,992 (2021: £284,163).

The Co-Operative has budgeted a plan for 2023 and 2024 which looks to improve its financial performance and increase its general reserves. It continues to carry out its duties and it is expected to continue to receive service charges, management, and maintenance allowances from Wandsworth Borough Council. The Co-Operative continues to adopt the going concern basis in preparing its financial statements.

Cashflow statement

The Co-Operative is not required to prepare a cashflow statement under the exemptions provided in FRS 102 Section 1A.

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.

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:

| | | |
|---------------------------------|---|----------|
| Fixtures and fittings | - | 4 years |
| Office equipment | - | 4 years |
| Computer software and equipment | - | 3 years |
| Caretakers’ equipment | - | 4 years |
| CCTV | - | 4 years |
| Office extension | - | 10 years |

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 the Income and Expenditure Account.

General reserves

All surpluses/deficits incurred by the Co-Operative are transferred to the general reserve.

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2022 (continued)

Turnover

Turnover represents service charges, management and maintenance allowances received and receivable from Wandsworth Borough Council. It is shown net of VAT.

Operating lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. At the Balance Sheet date all leases are classified as operating leases.

Rentals payable under operating leases are charged to the Income and Expenditure account on a straight-line basis over the term of the relevant lease.

Pension costs

Contributions to defined contribution schemes are charged to the Income and Expenditure account as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Taxation

As a Local Authority tenant-managed Co-Operative, the Co-Operative is not subject to tax on its income surpluses. Tax is however payable on the Co-Operative's investment income.

The Co-Operative is registered for VAT. The balances in these accounts are shown exclusive of VAT.

Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Co-Operative becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. A provision is established when there is objective evidence that the Co-Operative will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits which are an integral part of the Co-Operative's cash management.

2. Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Balance Sheet date and the reported amounts of revenues and expenses during the reporting period.

In the view of the Committee of Management, there are no material judgements made in applying accounting policies and key sources of estimation uncertainty.

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2022 (continued)

| | | |
|--------------------------------|-------------|-------------|
| 3. Turnover | 2022 | 2021 |
| | £ | £ |
| From lettings: | | |
| Allowances and service charges | 1,648,676 | 1,560,964 |
| | <hr/> | <hr/> |

| | | |
|---------------------------|-------------|-------------|
| 4. Operating costs | 2022 | 2021 |
| | £ | £ |
| Maintenance costs | 1,275,084 | 1,072,113 |
| Administrative costs | 369,699 | 299,991 |
| | <hr/> | <hr/> |
| | 1,644,783 | 1,372,104 |
| | <hr/> | <hr/> |

5. Directors' emoluments

No remuneration was paid to any of the Committee members. Owing to the close involvement of the Committee in the operations of the Co-Operative, no employee has the title or role of Chief Executive.

6. Employees

Staff costs were as follows:

| | | |
|-----------------------|-------------|-------------|
| | 2022 | 2021 |
| | £ | £ |
| Wages and salaries | 175,825 | 163,181 |
| Social security costs | 18,012 | 16,012 |
| Pension contributions | 8,714 | 7,625 |
| | <hr/> | <hr/> |
| | 202,551 | 186,818 |
| | <hr/> | <hr/> |

The average monthly number of employees, including the Committee members, during the year were as follows:

| | | |
|--------------|-------------|-------------|
| | 2022 | 2021 |
| | No. | No. |
| Office staff | 4 | 4 |
| Cleaners | 1 | 1 |
| | <hr/> | <hr/> |
| | 5 | 5 |
| | <hr/> | <hr/> |

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2022 (continued)

| | | |
|--|-------------|-------------|
| 7. Interest payable and similar charges | 2022 | 2021 |
| | £ | £ |
| Bank charges | 630 | 557 |
| | <hr/> | <hr/> |
| | 630 | 557 |
| | <hr/> | <hr/> |

| | | |
|--------------------------------|-------------|-------------|
| 8. Surplus for the year | 2022 | 2021 |
| | £ | £ |

The surplus is stated after charging:

| | | |
|--------------------------------------|--------|--------|
| Depreciation | 13,687 | 14,345 |
| Operating lease – land and buildings | 22,884 | 8,071 |
| Auditor’s remuneration: | | |
| - audit services | 18,970 | 11,700 |
| - other services | 26,085 | 19,135 |

| | | |
|-------------------------|-------------|-------------|
| 9. Units managed | 2022 | 2021 |
| | No. | No. |

The number of units managed by the Co-Operative at 31 March was as follows:

| | | |
|--------------|-------|-------|
| Leaseholders | 277 | 277 |
| Tenants | 577 | 577 |
| | <hr/> | <hr/> |
| | 854 | 854 |
| | <hr/> | <hr/> |

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2021 (continued)

10. Tangible fixed assets

| | Fixtures and fittings £ | Office equipment £ | Computer software and equipment £ | Office extension £ | Caretakers' equipment £ | CCTV £ | Total £ |
|-----------------------------------|----------------------------------|--------------------------|---|--------------------------|-------------------------------|-----------|------------|
| Cost | | | | | | | |
| At 1 April 2021 | 18,119 | 42,379 | 157,912 | 90,846 | 19,524 | 332,632 | 661,412 |
| At 31 March 2022 | 18,119 | 42,379 | 157,912 | 90,846 | 19,524 | 332,632 | 661,412 |
| Depreciation | | | | | | | |
| At 1 April 2021 | 18,119 | 42,379 | 150,560 | 90,846 | 19,424 | 320,907 | 642,235 |
| Charge for period on owned assets | - | - | 2,914 | - | 49 | 10,724 | 13,687 |
| At 31 March 2022 | 18,119 | 42,379 | 153,474 | 90,846 | 19,473 | 331,631 | 655,922 |
| Net book value | | | | | | | |
| At 31 March 2022 | - | - | 4,438 | - | 51 | 1,001 | 5,490 |
| At 31 March 2021 | - | - | 7,352 | - | 100 | 11,725 | 19,177 |

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2022 (continued)

| 11. Debtors | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Balance owed by Wandsworth Borough Council | 65,005 | 555,004 |
| Other debtors | - | 5,142 |
| Prepayments and accrued income | 81,689 | 27,560 |
| | <hr/> | <hr/> |
| | 146,694 | 587,706 |
| | <hr/> | <hr/> |
| 12. Creditors: amounts falling due within one year | 2022 | 2021 |
| | £ | £ |
| Trade creditors | 139,493 | 275,768 |
| Accruals | 80,300 | 95,593 |
| VAT creditors | 126,643 | 104,327 |
| PAYE Creditor | 354 | 552 |
| Corporation tax | - | - |
| Other creditors | 2,827 | 2,095 |
| | <hr/> | <hr/> |
| | 349,617 | 478,335 |
| | <hr/> | <hr/> |
| 13. Non equity share capital | 2022 | 2021 |
| | £ | £ |
| At 1 April | 566 | 566 |
| Issued during the period | - | - |
| | <hr/> | <hr/> |
| At 31 March | 566 | 566 |
| | <hr/> | <hr/> |

Membership of the Co-Operative is optional. Each tenant and leaseholder is entitled to be admitted to membership of the Co-Operative, in the form of a £1 share. Membership confers voting rights at general meetings.

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2022 (continued)

14. Reserves

| | General reserves £ | Income and expenditure account £ |
|----------------------|--------------------------|---|
| At 1 April 2021 | 284,163 | - |
| Surplus for the year | - | 3,263 |
| Transfers | 3,263 | (3,263) |
| | <hr/> | <hr/> |
| At 31 March 2022 | 287,426 | - |
| | <hr/> <hr/> | <hr/> <hr/> |

15. Shareholders' funds

| | £ |
|------------------------|-------------|
| At 1 April 2021 | 284,729 |
| Surplus for the year | 3,262 |
| Issue of share capital | - |
| | <hr/> |
| At 31 March 2022 | 287,992 |
| | <hr/> <hr/> |

16. Material contracts

Under an agreement dated 27 October 1994, the Co-Operative acts as managing agents for Wandsworth Borough Council in the exercise of most housing management functions of Patmore Co-Operative Limited. Principal exceptions are:

- a) Any legal action on tenancy or leasehold matters
- b) Major repairs
- c) Structural and certain other defects
- d) Property sales

The Council pays the Co-Operative for this service by paying allowances for all tenanted flats and monies collected from the leaseholders as service charges. These allowances are agreed annually. The Co-Operative is an autonomous entity.

Wandsworth Borough Council is considered to be a related party of the Co-Operative as it exercises significant influence over the Co-Operative.

The Co-Operative received £1,647,790 (2021: £1,560,964) of turnover from the council during the year. As at 31 March 2022, the Co-Operative had a debtor of £65,005 (2021: £555,004) due from Wandsworth Borough Council.

PATMORE CO-OPERATIVE LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 2021 (continued)

17. Ultimate controlling party

There is no ultimate controlling party of the Co-Operative.

PATMORE CO-OPERATIVE LIMITED
DETAILED INCOME AND EXPENDITURE ACCOUNT
For the year ended
31 March 2022

PATMORE CO-OPERATIVE LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 2022

| | 2022 | 2021 |
|-------------------------------------|------------------|------------------|
| | £ | £ |
| Income | | |
| Management & maintenance allowances | 1,453,307 | 1,362,727 |
| Service charge allowances | 194,484 | 197,350 |
| Other income | 885 | 887 |
| | <hr/> | <hr/> |
| Total | 1,648,676 | 1,560,964 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Maintenance costs | | |
| Block repairs | 78,163 | 89,351 |
| Estate repairs | 6,684 | 9,948 |
| Tenant repairs | 830,426 | 661,676 |
| Entry Phone repairs | 7,549 | 7,124 |
| Tenant heating contract | 60,768 | 61,194 |
| Bulk rubbish removal | 26,860 | 29,286 |
| Estate cleaning | 176,760 | 127,889 |
| Gardening | 65,309 | 64,224 |
| Emergency cover | 5,320 | 6,536 |
| Paladin bin hire | 14,557 | 14,310 |
| Aerial Repairs | 2,688 | 575 |
| | <hr/> | <hr/> |
| | 1,275,084 | 1,072,113 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Surplus carried forward | 373,592 | 488,851 |

PATMORE CO-OPERATIVE LIMITED

**DETAILED INCOME AND EXPENDITURE ACCOUNT for the year ended 31 March 2022
(continued)**

| | 2022 | 2021 |
|------------------------------------|--------------|----------------|
| | £ | £ |
| Surplus brought forward | 373,592 | 488,851 |
| Office and administration | | |
| Equipment and software maintenance | 2,712 | 2,456 |
| Staff costs | 202,551 | 186,818 |
| Office cleaning | 2,079 | 1,610 |
| Office rent/ rates | 8,509 | 8,071 |
| Light and heat | 5,019 | 4,240 |
| Insurance | 31,551 | 17,902 |
| Telephone and fax | 2,342 | 3,492 |
| Stationary and printing | 7,536 | 6,948 |
| Office repairs | 183 | 568 |
| Office security | - | - |
| Publication and subscription | 3,512 | 6,679 |
| Training | 330 | 275 |
| Sundries | 567 | 928 |
| Depreciation | 13,687 | 14,345 |
| Legal and professional | 28,912 | 4,768 |
| Audit | 18,970 | 16,570 |
| Meeting & committee costs | 1,332 | 850 |
| Health & safety | 1,692 | 2,196 |
| Staff travel and subsistence | 222 | 428 |
| Computer support | 12,894 | 6,288 |
| Equipment rental | 1,408 | 1,408 |
| Recruitment | - | 600 |
| Consultancy | 4,795 | 12,551 |
| VAT & CT expenses | 18,896 | - |
| | <hr/> | <hr/> |
| | 369,699 | 299,991 |
| | <hr/> | <hr/> |
| Surplus before taxation | 3,893 | 188,860 |
| | <hr/> <hr/> | <hr/> <hr/> |