

Company number: 03861859

The Lending Standards Board Limited

Report and financial statements
For the year ended 31 March 2020



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The Lending Standards Board Limited

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The Lending Standards Board Limited

Reference and administrative details

For the year ended 31 March 2020

Status	The organisation is a company limited by guarantee without share capital, incorporated on 14 October 1999.	
Company number	03861859 – incorporated in the United Kingdom	
Registered office	21 Holborn Viaduct London EC1A 2DY	
Operational address	5th Floor Abbey House 74–76 St John Street London EC1M 4DZ	
Directors	Christopher Pond Emma Lovell Liz Barclay Prof Elaine Kempson Mark Neale Graham Peacop Mark Thompson David Pickering Jonathan Rees Christopher Rhodes	Appointed 6 April 2020 Appointed 12 September 2019 Appointed 10 October 2019 Resigned 9 August 2019 Resigned 30 June 2019 Resigned 9 April 2019
Bankers	Coutts & Co 440 Strand London WC2R 0QS	
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane London EC1Y 0TL	

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

Principal activities and review

In 2019, the LSB reached its 10th anniversary. Since the outset, the organisation has vigorously pursued its work to ensure fair outcomes for personal and business customers of banking and financial services. The LSB has evolved steadily over its first decade, with a now wholly independent board, a wider team and a larger remit of work and responsibility. The Standards and Codes which we set and oversee now cover lending practices across personal and business customers, authorised push payment scams, access to banking and the information remedies from the FCA's credit card market study.

As the LSB enters its second decade, we have taken the opportunity to review our direction for the 2020s, culminating in the launch in early 2020 of our renewed Mission and Strategy. The LSB's updated mission is to drive fair customer outcomes within financial services through independent oversight, underpinned by four key strategic aims - setting high standards to enhance outcomes for customers within financial services; delivering independent oversight of the Standards and Codes for which we are responsible; reaching wider to lead thinking within the industry; and raising awareness of the LSB's work and our Codes and Standards.

As the LSB looks to the future and our new mission and strategic aims, we will continue to place fair customer outcomes at the heart of what we do and work with our registered firms to achieve this.

During 2019/20, notable work included:

- Commencement of the LSB's governance and oversight of the Contingent Reimbursement Model Code for Authorised Push Payments scams (the CRM Code) with effect from 1 July 2019.
- Publication of the first thematic review assessing the provisions of the CRM Code related to the customer's reasonable basis for belief during Q1 2020.
- Publication of our second review of the Access to Banking Standard.
- Extension of the turnover threshold of the Standards of Lending Practice for business customers from £6.5m to £25m turnover, therefore increasing the number of SMEs protected.
- Commission of an independent review of the LSB's approach to compliance and oversight. The review makes recommendations regarding the cycle of oversight work and the methodology to be employed in order to ensure that the LSB is able to give assurance about compliance with our Standards system-wide and in individual registered firms.
- Insight & Support provided vulnerable customer training to a number of registered firms who confirmed this would positively impact their treatment of customers. Phase one of the DCA/DPF vulnerability project was undertaken, resulting in a report highlighting how firms can empower agents to deliver better conversations.

The significant addition of the CRM Code to the LSB's portfolio has necessitated a strengthening of the LSB's Compliance and Oversight team during the year in order to support the additional work on APP scams. To support the future Insight & Support strategy, recruitment for three positions also

The Lending Standards Board Limited

Directors' annual report

For the year ended 31 March 2020

took place which has enabled the development of thought leadership, research, practical support for registered firms in relation to the application of the Standards and development of a new communications strategy. The team has also expanded in other areas, including Policy and Finance, to support the LSB's additional work streams.

As referenced previously, in order to support the strategic aims of the LSB, and the commencement of the governance and oversight of the CRM Code, there has been a requirement for significant investment in headcount during 2019. The financial outcome for the LSB is reflective of a year in which there has been a recruitment drive at the same time as managing and delivering on further Standards and Codes, resulting in a deficit before taxation of £108k in 2019/20.

Total expenditure increased this year, as a result of the recruitment drive due to higher recruitment fees than planned for new employees. The governance and oversight of the CRM Code also required further spend this year on Legal and Professional Fees. At the same time, new sources of funding that had been budgeted for have not been realised this year, but with investment in a new business development strategy planned for 2020/21.

The LSB has reserves of £772k at 2019/20, and although these have reduced in the current year, the reserves are in line with the LSB Reserves Policy. The reserves are needed to meet the working capital requirements of the organisation and the Management team are confident that at this level they would be able to continue the current activities of the organisation in the event of a significant drop in funding. Furthermore, where a surplus over and above the minimum reserves level is realised, the Management Team will review the optimum way to reinvest this surplus.

In line with the Mission and Strategy of the LSB, the Budget for next year reflects growth in our Compliance and Oversight work, Policy and Insight and Support services. Next year will prove a challenging one as we scale up the organisation and we will therefore be operating on a larger cost base from 2020/21 onwards. However, our new strategy will strengthen our relationships with existing registered firms and will ensure more focus on working with new firms to further improve customer outcomes. This will build a foundation to maintain and strengthen our income sources, while we continue to manage our finances effectively and in line with our Reserves Policy.

The Covid-19 pandemic emerged at the end of 2019/20 and after conducting an impact assessment, there is some shift in the focus of compliance work and review of Standards and Codes due to the pandemic. At this stage the pandemic is unlikely to impact the planned deliverables materially or the organisation's funding for 2020/21. We will however, continue to review the LSB's Mission and Strategy going forwards.

The LSB's Board comprises the Chair, five NEDs and the CEO. During the year, the Board exercises its oversight of the Executive through four Board meetings and two strategy meetings, four Finance and Risk Committee meetings and two Nominations, Remuneration and Human Resources Committee meetings. The Board receives comprehensive papers on the performance of the LSB and the strategic opportunities available in order to provide challenge and direction to the Executive.

During 2019/20, Mark Thompson and Mark Neale were both appointed to the Board as NEDs. Emma Lovell was appointed as the Chief Executive shortly after the 2019/20 year end.

Responsibilities of the directors

The directors are responsible for preparing the directors' annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period.

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK 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 basis unless it is inappropriate to assume that the company will continue in operation.

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 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.

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

Each of the directors confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditor is unaware. Each of the directors also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all material factors relevant to the audit and that this information has been communicated to the auditor.

The Lending Standards Board Limited

Directors' annual report

For the year ended 31 March 2020

Auditor

Sayer Vincent LLP was re-appointed as the company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the directors on 8 October 2020 and signed on their behalf by



Christopher Pond
Director – Chairman

Independent auditor's report

To the members of

The Lending Standards Board Limited

Opinion

We have audited the financial statements of The Lending Standards Board Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of income and retained earnings, statement of financial position 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 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 result for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 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

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.

Independent auditor's report

To the members of

The Lending Standards Board Limited

Other information

The other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

We have nothing to report in this regard.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The directors' annual 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' annual 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' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

The Lending Standards Board Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, set out in the directors' annual report, 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.

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 on the effectiveness of the entity'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 entity'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 entity to cease to continue as a going concern.

Independent auditor's report

To the members of

The Lending Standards Board Limited

- 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.

Use of our report

This report is made solely to the company's members as a body, 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

12 October 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Lending Standards Board Limited

Statement of income and retained earnings

For the year ended 31 March 2020

	Note	2020 Total £	2019 Total £
Income			
Registration fees		1,984,963	1,784,216
Insight and support services		15,400	20,000
Investment income		9,264	6,016
Total income	2	2,009,627	1,810,232
Expenditure			
Director and staff costs	5	1,560,168	1,362,440
Travel and subsistence		72,672	92,866
Office costs		129,803	103,339
Marketing, PR and Events		54,158	23,301
Premises costs		163,771	132,801
Legal and professional fees		34,314	32,510
Consultancy fees		102,682	-
Total expenditure		2,117,568	1,747,257
(Deficit)/ Surplus on ordinary activities before taxation	3	(107,941)	62,975
Taxation on surplus on ordinary activities	6	12,626	(12,626)
(Deficit)/ Surplus for the financial year		(95,315)	50,349
Retained earnings			
Retained earnings brought forward		867,755	817,406
(Deficit)/ Surplus for the financial year		(95,315)	50,349
Retained earnings carried forward		772,440	867,755

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in equity are included within the statement above.

The Lending Standards Board Limited

Statement of financial position

Company no. 03861859

As at year end 31 March 2020

	Note	£	2020 £	£	2019 £
Fixed assets:					
Property, plant and equipment	7		24,413		18,249
			<u>24,413</u>		<u>18,249</u>
Current assets:					
Debtors	8	67,601		84,888	
Cash at bank and in hand		1,375,977		995,096	
		<u>1,443,578</u>		<u>1,079,984</u>	
Creditors:					
Amounts falling due within one year	9	654,551		230,478	
Net current assets			<u>789,027</u>		<u>849,506</u>
Total assets less current liabilities			<u>813,440</u>		<u>867,755</u>
Provisions for liabilities	10		41,000		-
Net assets			<u>772,440</u>		<u>867,755</u>
Capital and reserves					
Retained earnings			772,440		867,755
Total reserves			<u>772,440</u>		<u>867,755</u>

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 8 October 2020 and signed on behalf of the Board of Directors:



Christopher Pond
Director – Chairman



Emma Lovell
Director – Chief Executive

The Lending Standards Board Limited

Notes to the financial statements

For the year ended 31 March 2020

1 Accounting policies

a) Statutory information

The Lending Standards Board Limited is a company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 21 Holborn Viaduct, London, EC1A 2DY. The principal place of business is 5th floor, Abbey House, 74-76 St John Street, London, EC1M 4DZ.

b) Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

c) Going concern

The directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

d) Income

Income represents annual registration fees payable for the financial year in question, training and consultancy fees for additional support provided to registered firms and non-refundable joining fees received. Registration income is recognised in line with the period of registration and joining fees when the application process is complete. Other training and consultancy fee income is recognised in the period of which the support is provided and benefit is received by the registered firm.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

f) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

g) Property, plant and equipment

Items of equipment are capitalised where the purchase price exceeds £500. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment, other than freehold land, over their expected useful lives, using the straight line method. The rates applicable are:

● Fixtures and fittings	3 years
● Leasehold improvements	3 years
● Computer equipment	3 years

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Creditors

Short term trade 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.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements

For the year ended 31 March 2020

1 Accounting policies (continued)

k) Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Deferred tax

Provision is made on the liability method for all taxation deferred in respect of timing differences to the extent that, in the opinion of the directors, a liability is likely to crystallise in the foreseeable future.

m) Pensions

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 liability. The contributions are recognised as an expense in the period in which they fall due. Amounts not paid are shown in accruals as a liability within creditors. The assets of the plan are held separately from the Company in independently administered funds. No contributions were outstanding to the fund at the current or prior reporting date.

n) Key judgements

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy.

2 Income

Income is attributable to the principal activity of the company, which is the oversight and enforcement of the Standards of Lending Practice, the Access to Banking Standard and the Contingent Reimbursement Model Code for Authorised Push Payments scams (the CRM Code); these are voluntary codes of practice aimed at driving fair customer outcomes within financial services.

Turnover is a combination of annual registration fees for registered firms, joining fees for new firms, and fees for insight and support services, which are quoted separately on a firm by firm basis and can be received throughout the year.

3 Surplus / (Deficit) before tax is stated after charging:

	2020 £	2019 £
Directors' remuneration	388,773	360,781
Pensions of directors	13,140	17,018
Auditor's remuneration (excluding VAT):		
Audit	8,750	8,500
Other services	1,250	425
Depreciation	14,874	24,085
Defined contribution pension cost	87,531	86,305
Operating lease rentals:		
Land and buildings	61,000	61,000
Other	2,451	8,189

The Lending Standards Board Limited

Notes to the financial statements

For the year ended 31 March 2020

4 Historic financial performance

The surplus/(deficit) after tax for the past five financial years is as follows:

2020 £	2019 £	2018 £	2017 £	2016 £
(95,315)	50,349	65,521	74,026	(64,701)

5 Directors' and employees' costs

Directors' remuneration

	2020 £	2019 £
Christopher Pond	58,938	58,938
Lady Bloom CBE (resigned 28 February 2019)	-	18,764
Barbara Moorhouse (resigned 27 February 2019)	-	21,514
Graham Peacop	23,470	20,470
David Pickering (Chief Executive resigned 9 August 2019)	151,168	179,685
Jonathan Rees (resigned 30 June 2019)	5,117	20,470
Elaine Kempson (Appointed 1 April 2018)	20,470	20,470
Liz Barclay (Appointed 1 April 2018)	20,470	20,470
Mark Neale (appointed Interim CEO in October 2019, resigned 31 January 2020)	95,939	-
Mark Thompson (appointed 10 October 2019)	9,789	-
Mark Neale (appointed as Non Executive Director 1 February 2020)	3,412	-
Emma Lovell (Chief Executive appointed 6 April 2020)	-	-
	388,773	360,781
Aggregate employer national insurance in relation to above	43,594	39,780
Aggregate employer pension contributions in relation to above	13,140	17,018
	445,507	417,579

Only non-executive directors who are independent of the industry are remunerated. Changes in personnel and timing of appointments will affect annual comparisons.

Staff costs, including above directors' remuneration, during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,221,692	1,144,852
Social security costs	250,945	131,283
Pension costs	87,531	86,305
	1,560,168	1,362,440

The average number of employees (including directors) during the year was 18.7 (2019: 19.3). However at year end the number of employees had increased to 20.

The Lending Standards Board Limited

Notes to the financial statements

For the year ended 31 March 2020

6 Taxation

	2020 £	2019 £
UK corporation tax at 19%	(12,626)	12,626
Tax on results on ordinary activities	(12,626)	12,626
Factors affecting tax charge for the year		
	2020 £	2019 £
(Deficit)/Surplus on ordinary activities before taxation	(107,941)	62,975
Corporation tax charge on ordinary activities at 19%	-	11,965
Effects of:		
Capital allowances in excess of depreciation	-	(3,916)
Depreciation in excess of capital allowances	-	4,577
Utilisation of tax losses	(12,626)	-
Total tax (credit)/charge for the year	(12,626)	12,626

Unrecognised deferred tax assets

A deferred tax asset has not been recognised in respect of £46,957 worth of unutilised losses because it is currently not probable that future taxable profits will be available against which LSB can use the benefits therefrom.

7 Property, plant and equipment

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At the start of the year	37,472	19,623	25,507	82,602
Additions in year	9,878	-	11,160	21,038
Disposals in year	-	(933)	(5,445)	(6,378)
At the end of the year	47,350	18,690	31,222	97,262
Depreciation				
At the start of the year	36,024	8,758	19,571	64,353
Charge for the year	4,081	5,662	5,131	14,874
Depreciation on disposals	-	(933)	(5,445)	(6,378)
At the end of the year	40,105	13,487	19,257	72,849
Net book value				
At the end of the year	7,245	5,203	11,965	24,413
At the start of the year	1,448	10,865	5,936	18,249

8 Debtors

	2020 £	2019 £
Trade debtors	6,000	11,400
Other debtors	3,460	-
Tax debtors	19,905	2,334
Prepayments and accrued income	38,236	71,154
	67,601	84,888

The Lending Standards Board Limited

Notes to the financial statements

For the year ended 31 March 2020

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	18,281	82,502
Other creditors	10,146	8,850
Taxation and social security	35,626	39,337
Corporation tax	-	12,626
Accruals and deferred income	590,498	87,163
	<u>654,551</u>	<u>230,478</u>

Accruals and deferred income largely comprises a deferred income adjustment of £432k to recognise a portion of the fees for our management of the Contingent Reimbursement Model (CRM) Code in 2021 to reflect the timing of resourcing the management of the code being delayed versus plan.

10 Provisions for liabilities

	2020 £	2019 £
Balance at the beginning of the year	-	-
Amount released in the year	-	-
Increase/(decrease) in provision in the year	41,000	-
Balance at the end of the year	<u>41,000</u>	<u>-</u>

Provisions relate to amounts expected to be payable under contractual obligations.

11 Related party transactions

There are no related party transactions to disclose for 2020 (2019: none), other than as disclosed in note 5.

12 Operating lease commitments

The company's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2020 £	2019 £	2020 £	2019 £
Less than one year	61,000	61,000	1,240	1,831
One to five years	15,250	76,250	620	-
	<u>76,250</u>	<u>137,250</u>	<u>1,860</u>	<u>1,831</u>

13 Legal status of the company

The Lending Standards Board is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.