

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

**THE LEASEHOLD ADVISORY
SERVICE**

COMPANY INFORMATION

Directors	Mr S Jackson Mrs V T Elvidge Ms W Goldwag Mr T Kazi, a director during the year, retired on 23 April 2020
Company secretary	Mr A Essien (Chief Executive and Accounting Officer)
Registered number	03296985
Registered office	Fleetbank House 2-6 Salisbury Square London EC4Y 8JX
Independent auditor	Beever and Struthers Chartered Accountants & Statutory Auditors 15 Bunhill Row London EC1Y 8LP
Internal auditor	Kreston Reeves LLP Third Floor 24 Chiswell Street London EC1Y 4YX
Accountants	MHA MacIntyre Hudson 2 London Wall Place London EC2Y 5AU

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**OPERATING AND FINANCIAL REVIEW
FOR THE YEAR ENDED 31 MARCH 2021**

Chair's Foreword

I am pleased to introduce the Leasehold Advisory Service's 2020-21 Annual Report. The last year will undoubtedly be known as the year of COVID-19. The pandemic affected every facet of our lives, and for us at LEASE it drove us to adapt how we work in order to be able to continue to provide our services. The pandemic's swift impact compelled action, and I am pleased to say that LEASE's Board supported the Chief Executive to quickly pivot our service to become wholly remote and ensuring that all staff had the necessary resources to work in this new, and very different way, for the vast majority of our team.

In adapting our service to life with the pandemic, we focused on maintaining services across England and Wales. Whilst the early surge of COVID – 19 saw a marked drop in demand across all our policy areas, the Spring of 2020 and beyond saw demand return to greater levels.

Even with the focus on maintaining services, we played a wider part in the sector by providing a submission on the Levelling Up, Housing and Communities Select Committee's Pre-legislative scrutiny of the Building Safety Bill. We also brought our knowledge and experience to bear as members of the independent steering group chaired by Baroness Hayter of Kentish Town on codes of practice for property agents.

We know our expertise can benefit other advice providers in the sector, particularly those assisting leaseholders in debt, or those threatened with losing their homes. So we helped by providing Debt Free London and Shelter advisers with training on residential long leasehold.

Our team has done a remarkable job in adapting to working from home, with many also having to balance the needs of young families as they supported leaseholders and park home owners. I thank them on behalf of the Board for their flexibility , commitment and very hard work.

We will be bidding farewell to one of our directors, Steven Jackson, at the end of July. I want to thank him for his years of service as Board member and Chair of LEASE's Audit and Risk Assurance Committee. I know all at LEASE wish him the very best in the future.



**Wanda Goldwag
Chair**

**OPERATING AND FINANCIAL REVIEW
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Chief Executive's Report

2020 has been a year like no other, to put it mildly. None of us could have foreseen the sheer speed of COVID – 19 to impact people's lives, and organisations of all sizes and in all sectors. What were initially temporary operating changes for us have now become long term in that the entire service is now based on staff working from home and helping customers across England and Wales.

Our service changes meant doing things differently, but I am pleased to say that not only did our team adapt, but they were also able to maintain delivery with over 29,000 enquiries addressed. Our website continued to serve more customers over the course of the year, and they downloaded almost 900,000 advice guides.

We addressed more enquiries from our customers in buildings with unsafe cladding and my colleagues also undertook nine outreach sessions with more than 150 leaseholders from these buildings online via Teams or Zoom.

Our team has helped so many people during the year, and it is pleasing to highlight a case study, summarised later in this report, where LEASE's assistance helped a leaseholder to achieve a service charge refund of over £11,000 for herself and her fellow lessees.

Despite the significant challenges posed by COVID – 19, our service remained fully operational to advise and support leaseholders, including those in buildings with unsafe cladding, and park home owners. None of that would have been possible without having excellent people at LEASE, and I thank them all for their 52-week effort in advising and supporting leaseholders and park home owners in England and Wales.



Anthony Essien
Chief Executive

**OPERATING AND FINANCIAL REVIEW
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1.0 Who we are

- 1.1 LEASE was established in 1994, and remains a non-statutory company limited by guarantee. It is an Executive Departmental Public Body (Or Arm's Length Body) sponsored by the Department for Levelling Up, Housing and Communities (DLUHC) leaseholders and park home owners in England and Wales, including on building safety issues.
- 1.2 LEASE is governed by a board appointed by the Secretary of State for Levelling Up, Housing & Communities. The majority of funding is grant in aid from the Department for Levelling Up, Housing and Communities (DLUHC); and it also receives some funding from the Welsh Government (WG).
- 1.3 LEASE is accountable to DLUHC for the use of resources and performance. The relationship is set out in a Management Statement and Financial Memorandum that operate as framework documents and bi-monthly meetings attended by LEASE and DLUHC officials are held to review performance, risks and the use of financial and other resources.
- 1.4 LEASE's Board provides leadership and strategic direction and supervises the overall management of LEASE's activities. The Board has two sub-committees:
- Audit and Risk Assurance Committee, with three non-executive members, which reviews the completeness, reliability and integrity of the assurance framework and advises the LEASE CEO as Accounting Officer for LEASE and the Board; and
 - Remuneration Committee, with three non-executive members, which determines pay and related matters, reviews performance appraisal frameworks and assists in the recruitment of senior staff.

2.0 What we do

- 2.1 Leasehold and park homes ownership are both complex tenures where individuals often need assistance to understand the rights and responsibilities that affect how they enjoy their property.
- 2.2 As shown by LEASE data, the breadth of the resulting issues is significant, and LEASE supports improved general understanding of key principles and processes through our detailed online resources. We do this not only through our advice services, but also in supporting policy discussions and consultations by government and others in the sector that have implications for our leaseholders, including those in high rise residential buildings, and park home customers.
- 2.3 As a national organisation, reach across England and Wales is vital, and our online service provides 24-hour digital resource for customers. The self-service offer includes:
- Online tools, such as the Lease Extension calculator;
 - Template documents to assist leaseholders and others in engaging with third parties; such

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- as the Participation Agreement for collective enfranchisement;
- First Tier Tribunal and Leasehold Valuation Tribunal decisions; and
 - Free E-learning for directors, and aspiring directors, of resident management companies.
- 2.4 In many cases leaseholders and park home owners need specific advice on their individual circumstances and options, including interpretation of clauses in their lease or park home agreement. The LEASE enquiry service meets this need by allowing individuals to submit a written enquiry or book a fifteen-minute telephone call with one of our legally qualified advisers who provide independent and impartial initial advice. Many customers choose to provide their lease or park home agreement to support this process.
- 2.5 Responses to enquiries are designed to empower LEASE customers to take informed decisions on next steps. The duration of appointments reflects the fact that LEASE offers initial advice only and not a full casework service.
- 2.6 Our remit is exclusively focused on leaseholders, including those in high rise residential buildings, and park home owners

Vision, Mission and Values

- 2.7 **Our vision** is for LEASE to be trusted and well-known source for free, initial high quality and factual leasehold and park home advice and information.
- 2.8 **Our mission** is to empower leaseholders and park home owners by providing initial advice and information which helps them understand their rights and responsibilities and enables them to engage more confidently with third parties like freeholders, managing agents and site owners.
- 2.9 We meet the challenges of our mission through services that include:

Online resources	Outreach	Enquiry Service	Partner Referral	Government
Dedicated websites for leasehold and park home issues containing detailed advice guides and FAQs, along with other resources.	Outreach work across England and Wales, to assist groups of leaseholders coming together as a community to address their leasehold or park home problems through advice and workshop sessions.	Providing case specific initial advice to leaseholders and park home owners, including on building safety issues, either by telephone, email or letter.	Operating a referral channel with other associated organisations, to redirect advice and help referred leaseholders and park home owners.	Assisting Government bodies and other agencies on leasehold and park home policy issues through policy reviews, publications and articles.

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- 2.10 We are the Government's service for advising leasehold home owners and park home owners. Staffed by legally qualified advisers who have the knowledge and skill base to answer their enquiries, and to clear a path through the complex thicket of residential leasehold and park homes law so that customers can engage on these matters from an informed perspective and with greater confidence. We also provide information to prospective leaseholders and park home owners about the nature of the tenures through our website and online resources.

Our values

- 2.11 To achieve our mission and objectives, we need to be customer focused and an organisation that embraces learning, development and change. This way of working is embedded in our values:

- ambition we always strive for more and believe in better.
- quality standards we offer a professional service to our customers and with high standards.
- diverse we value everybody as an individual.
- learning we can always do better and share what we know.

An example of our impact for a leaseholder:

Ms P owns a leasehold flat in East London in a development of 105 properties. She received a revised service charge statement from her freeholder after disputing the final statement when it was issued a couple of months ago.

In the revised statement the freeholder added an additional charge of £100 per flat for building insurance. The charge was unexpected and was not included on the estimated statement for 2019/20 or the final statement issued to the leaseholders.

Ms P contacted LEASE for advice on whether this charge was reasonable and payable. A LEASE adviser emailed her with advice and explained that 'any service charge claimed must be reasonable under section 19 of the Landlord and Tenant Act 1985'. The main arguments used by leaseholders to prove reasonableness are:

- That the charges are too high compared to the going rate for the job
- That the works were unnecessary
- That the works were substandard

'To prove a service charge is too high you will need to try and obtain a quote for the same works. A surveyors report can also determine the standard or necessity of the works.'

Following advice from LEASE, Ms P was able to successfully challenge her freeholder over the additional charge. The freeholder agreed that due process was not followed and that the charge would be removed from the final statement. In total, each of the 105 properties in the block received a refund of £110.

Ms P said: "Thank you very much for the information provided which gave me the conviction to pursue this issue to its conclusion."

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Performance in 2020-21

Goal	Objectives	Outcome
Deliver high quality advice with high standards of customer service to leaseholders and Park Home owners	<ol style="list-style-type: none"> 1. Achieve 825,000 advice guide downloads by 31st March 2021 2. Achieve 850,000 FAQ downloads by 31st March 2021 3. Complete 25,000 enquiries in England by 31st March 2021; 4. Address 75% of written enquiries within 10 working days; 5. Hold telephone advice sessions within two working days of customer requesting calls; 6. Hold 40 leasehold and Park Home outreach events in England; 7. Arrange outreach events within 10 working days of request 8. Achieve an average of 4.5 out of 5 in customer satisfaction surveys (telephone, written and outreach) 9. Participate in workshops, working groups and respond to Government and other associated consultations seeking to improve fairness through reform for leaseholders and Park Home owners. 	<ol style="list-style-type: none"> 1. 863,363 advice guides were downloaded by 31st March 2021 2. 837,418 Leasehold and Park Home FAQs were downloaded for 3. 26,817 Leasehold and Park Home enquiries were completed by 31st March 2021 4. 74% of Leasehold and Park Home written enquiries were completed within 10 working days 5. 56% of telephone advice sessions within two working days of customer requesting calls 6. Three Leasehold and one Park Home outreach session was held in 2020/21 all using Teams or Zoom 7. 100% of Leasehold and Park Home outreach events were arranged within 10 working days of the request. 8. Average scores in customer satisfaction surveys were – (a) Telephone service: 4.6 out of 5.0; (b) Written service: 4.4 out of 5.0; and (c) Outreach service: 5.0 out of 5.0. 9. (a) LEASE provided a submission to the Levelling Up, Housing and Communities Select Committee's ("the Committee") Pre-legislative scrutiny of the Building Safety Bill; (b) LEASE participated as a member of the Regulation of Property Agents Overarching Code and the Block Management Code Steering Group; (c) LEASE provided free leasehold training for Debt Free London and Shelter advisers; and (d) LEASE supported Westminster City Council's Leaseholder Conference.

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Goal	Objectives	Outcome
Support leaseholders in high rise buildings with fire safety issues including Aluminium Composite Material (ACM) cladding.	<ol style="list-style-type: none"> 1. Achieve 100,000 visits to the fire safety page; 2. Achieve 120,000-page views for the fire safety pages by 31st March 2021 3. Average 120 enquiries per month by 31st March 2021 4. Achieve an average of 4.5 out of 5 in customer satisfaction surveys (telephone, written and outreach) by 31st March 2021 5. Address 75% of written enquiries within 10 working days 6. Hold telephone advice sessions within two working days of customer requesting call. 7. Hold 15 outreach sessions by 31st March 2021 8. Arrange outreach events within 10 working days of request. 	<ol style="list-style-type: none"> 1. 59,881 visits to the fire safety page 2. 233,769 page views were achieved for the fire safety pages by 31st March 2021 3. An average of 167 enquiries per month were completed by 31st March 2021 4. Average scores in customer satisfaction surveys were - (a) Telephone service: 4.7 out of 5.0; (b) Written service: 4.4 out of 5.0; and (c) Outreach: 4.9 out of 5.0 (Park Homes) 5. 69% of written enquiries completed within 10 working days 6. 60% of telephone advice sessions were held within two working days of customer requesting call. 7. Nine outreach sessions were held in 2020/21 all using Teams or Zoom 8. All but one of the outreach events were arranged within 10 working days of request.

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Goal	Objectives	Outcome
Use LEASE's data, knowledge and insight to inform the sector about the issues our customers bring to us.	Publish quarterly data during 2020-21	Publication of data was delayed by the COVID-19 emergency

Goal	Objectives	Outcome
Make LEASE excellent opportunity for all our staff to develop their careers	By 31st March 2021 achieve staff survey results equivalent to the top five government departments.	The COVID-19 emergency prevented the staff survey being undertaken during 2020-21.

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TABLES AND FIGURES

	2020-21	2019-20	% +/-
Unique visitors*	1,171,909	1,131,967	4%
Visits	1,809,058	1,732,200	4%
% from outside London & Southeast	19%	19%	-
Advice guide downloads	863,323	871,712	-1%

Table 1 Online customers

*UK only

Channel	2020-21	2019-20	% +/-
Telephone	20,242	20,196	-
Email/letter	8,849	8,796	-
Personal Appointment	225**	84	141
Total customers	18,613	18,806	-1%
Total enquiries***	29,091	29,076	-

Table 2 Customers via other channels

**Attendees at outreach sessions.

***Totals are less than the sum of the channels as customers sometimes contact us via more than one channel. Totals are actual customer numbers.

Channel	2020-21	2019-20	% +/-
Unique visitors to internet service	28,617	27,583	4%
Enquiries via other channels	476	473	-

Table 3 Examples of Wales service

Survey	2020-21	Sample size	2019-20	Sample size
Telephone service	4.6 out of 5.0	1,986	4.6 out of 5.0	2,317
Email/letter	4.4 out of 5.0	2,449	4.4 out of 5.0	2,341
Personal appointment	-	-	4.9 out of 5.0	16

Table 4 Customer survey results by channel

	2020-21	2019-20
Complaints	12	16
% Upheld	92	69
Compliments and Wow! Awards	953	817

Table 5 Customer Feedback

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Figure 1 Leasehold – customer distribution
by region

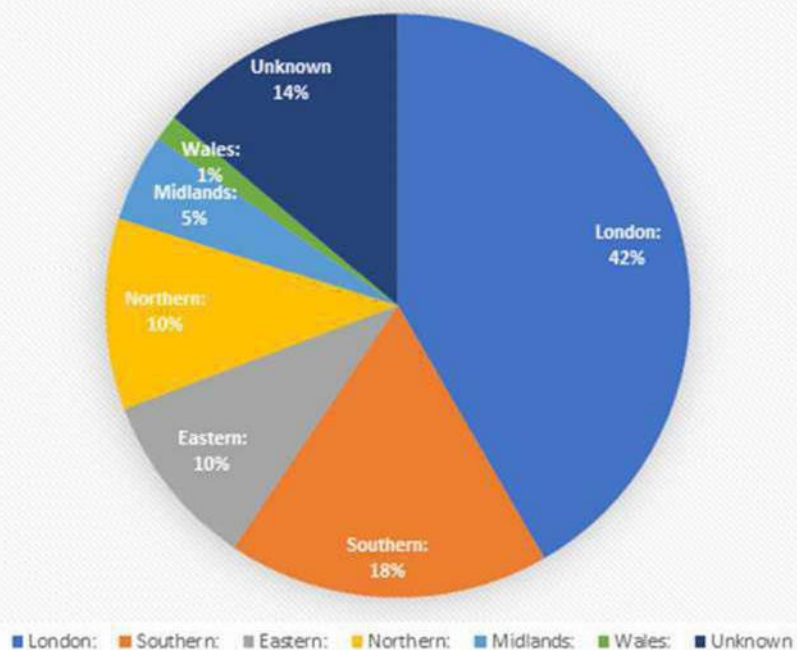
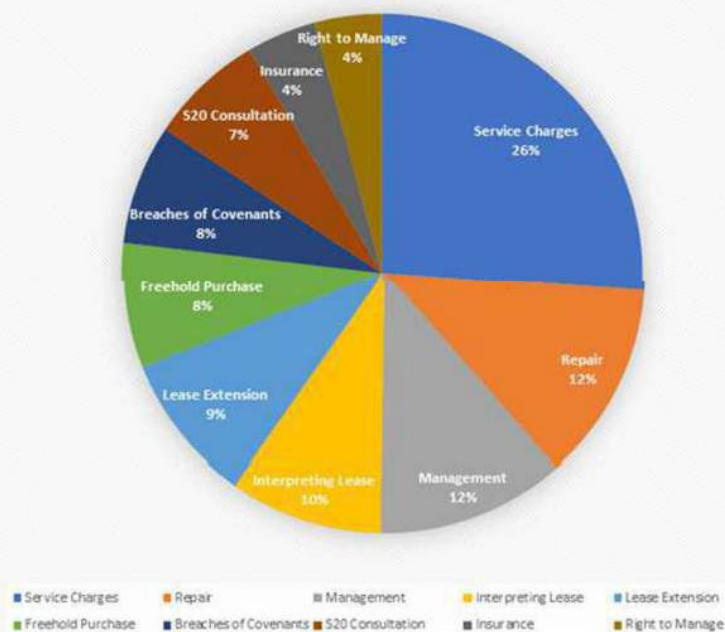


Figure 2 Leasehold (England) – top 10 subjects of enquiry



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Figure 3: Leasehold (Wales) – top 10 subjects of enquiry

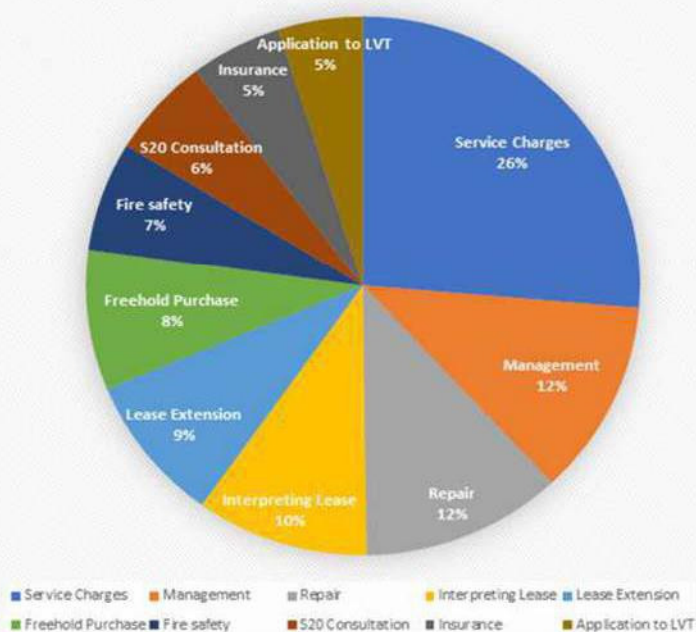
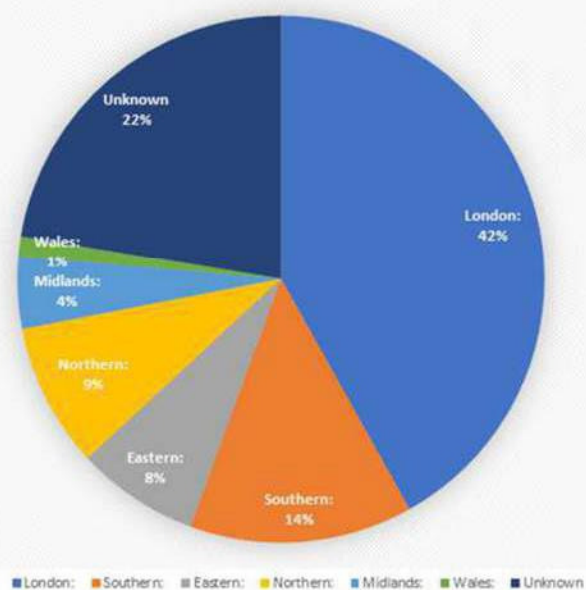


Figure 4 Fire Safety - customer distribution by region



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Figure 5 Fire Safety - top subjects of enquiry

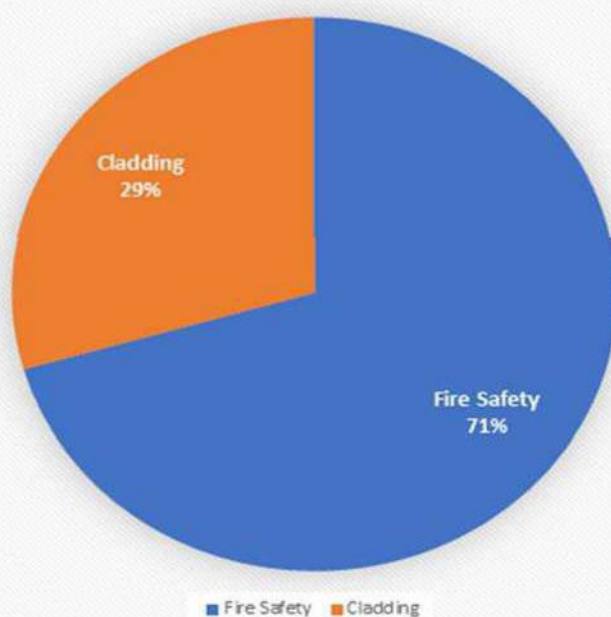
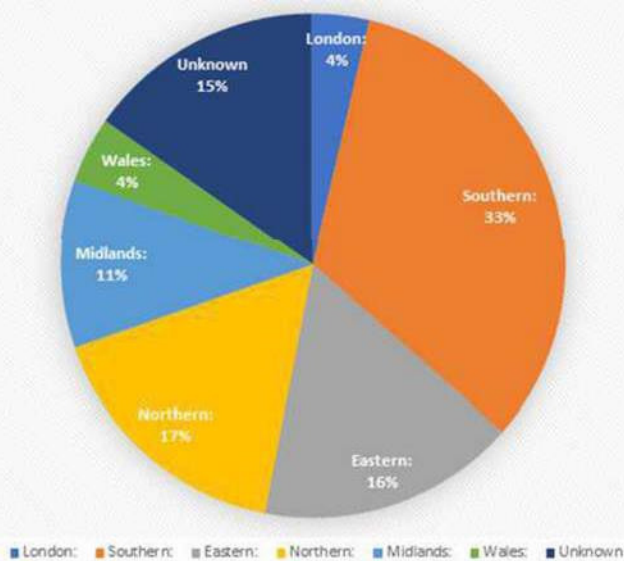


Figure 6 Park Homes – customer distribution by region



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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their report and the financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the Group in the year was that of the provision of advice to the public on residential leasehold and park homes.

Results

The profit for the year, after taxation, amounted to £56,617 (2020 - £128,074).

Directors

The Directors who served during the year were:

Mr S Jackson
Mrs V T Elvidge
Ms W Goldwag

Mr T Kazi, a director during the year, retired on 23 April 2020.

Principal risks and uncertainties

The key risk to the Group is the continued funding following the upcoming Spending Review.

Financial key performance indicators

The directors consider the ability to achieve a break even financial result, to be the key financial performance indicator.

Other key performance indicators

The directors consider the number of enquiries completed, customers served through all channels, their range across England and Wales and the quality of services offered to be the key performance indicators.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Directors' responsibilities statement

The Directors are responsible for preparing the Operating and Financial Review and the Directors' Report and the consolidated 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 the Group and of the surplus or deficit of the Group for that period.

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

- select suitable accounting policies for the Group'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 Group 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 the Group 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 the Group 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 and the Group'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 and the Group's auditor is aware of that information.

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.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

This report was approved by the Board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'W Goldwag', written in a cursive style.

Ms W Goldwag
Director

Date: 5 July 2021

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEASEHOLD ADVISORY SERVICE

Opinion

We have audited the financial statements of The Leasehold Advisory Service (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company 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 Group's and of the parent Company's affairs as at 31 March 2021 and of the Group's surplus 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 Group 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. Our opinion is consistent with our report to the Audit and Risk Committee.

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 Group's or the parent 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 Operating and Financial Review and the Directors' 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEASEHOLD ADVISORY SERVICE
(CONTINUED)

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.

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 Operating and Financial Review and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Operating and Financial Review and the Director's 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Operating and Financial Review or 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 Group Strategic Report.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEASEHOLD ADVISORY SERVICE
(CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 23, the Directors are responsible for the preparation of the Annual Report and 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 Group's and the parent 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 Group or the parent 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.

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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEASEHOLD ADVISORY SERVICE
(CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Group and parent Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and tax legislation.
- We enquired of the Directors and reviewed correspondence and Directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Directors have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Directors have in place to prevent and detect fraud.
- We enquired of the Directors about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEASEHOLD ADVISORY SERVICE
(CONTINUED)

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.



Michael Tourville ACA (Senior Statutory Auditor)
for and on behalf of
Beever and Struthers
Chartered Accountants & Statutory Auditors
15 Bunhill Row
London
EC1Y 8LP
Date: 16 July 2021

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Turnover	3	1,840,479	1,991,803
Gross profit		1,840,479	1,991,803
Administrative expenses		(1,783,862)	(1,863,864)
Operating surplus		56,617	127,939
Interest receivable and similar income	7	-	166
Surplus before taxation		56,617	128,105
Tax on surplus	8	-	(31)
Surplus for the year		56,617	128,074
Relating to the parent company		56,617	128,074

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03296985

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	37,149	55,094
		<u>37,149</u>	<u>55,094</u>
Current assets			
Debtors: amounts falling due within one year	12	58,834	69,371
Cash at bank and in hand	13	424,692	382,249
		<u>483,526</u>	<u>451,620</u>
Creditors: amounts falling due within one year	14	(152,997)	(186,121)
Net current assets		<u>330,529</u>	<u>265,499</u>
Total assets less current liabilities		<u>367,678</u>	<u>320,593</u>
Creditors: amounts falling due after more than one year	15	(7,151)	(16,683)
Provisions for liabilities			
Net assets		<u>360,527</u>	<u>303,910</u>
Capital and reserves			
Other reserves	16	360,527	303,910
Equity attributable to owners of the parent Company		<u>360,527</u>	<u>303,910</u>

The Group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



.....
Ms W Goldwag
 Director

Date: 5 July 2021

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03296985

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	37,149	55,094
Investments	11	1	1
		<u>37,150</u>	<u>55,095</u>
Current assets			
Debtors: amounts falling due within one year	12	58,834	69,371
Cash at bank and in hand	13	424,692	382,248
		<u>483,526</u>	<u>451,619</u>
Creditors: amounts falling due within one year	14	(152,998)	(186,121)
Net current assets		<u>330,528</u>	<u>265,498</u>
Total assets less current liabilities		<u>367,678</u>	<u>320,593</u>
Creditors: amounts falling due after more than one year	15	(7,151)	(16,683)
Net assets		<u><u>360,527</u></u>	<u><u>303,910</u></u>
Capital and reserves			
Other reserves	16	360,527	303,910
		<u><u>360,527</u></u>	<u><u>303,910</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



.....
Ms W Goldwag
 Director

Date: 5 July 2021

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Other reserves £	Profit and loss account £	Attributable to Parent Company £	Total equity £
At 1 April 2020	303,910	-	303,910	303,910
Comprehensive income for the year				
Surplus for the year	-	56,617	56,617	56,617
Total comprehensive income for the year	-	56,617	56,617	56,617
Transfer to profit and loss account	-	(56,617)	(56,617)	(56,617)
Transfer between other reserves	56,617	-	56,617	56,617
At 31 March 2021	360,527	-	360,527	360,527

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Other reserves £	Profit and loss account £	Attributable to Parent Company £	Total equity £
At 1 April 2019	137,557	38,279	175,836	175,836
Comprehensive income for the year				
Surplus for the year	-	128,074	128,074	128,074
Total comprehensive income for the year	-	128,074	128,074	128,074
Transfer to profit and loss account	-	(166,353)	(166,353)	(166,353)
Transfer between other reserves	166,353	-	166,353	166,353
At 31 March 2020	303,910	-	303,910	303,910

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Other reserves £	Profit and loss account £	Total equity £
At 1 April 2020	303,910	-	303,910
Comprehensive income for the year			
Surplus for the year	-	56,617	56,617
	-	56,617	56,617
Total comprehensive income for the year			
Transfer to profit and loss account	-	(56,617)	(56,617)
Transfer between other reserves	56,617	-	56,617
At 31 March 2021	360,527	-	360,527

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Other reserves	Profit and loss account	Total equity
	£	£	£
At 1 April 2019	137,557	-	137,557
Comprehensive income for the year			
Surplus for the year	-	166,353	166,353
	-	166,353	166,353
Total comprehensive income for the year			
Transfer to profit and loss account	-	(166,353)	(166,353)
Transfer between other reserves	166,353	-	166,353
At 31 March 2020	303,910	-	303,910

The notes on pages 29 to 40 form part of these financial statements.

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	56,617	128,074
Adjustments for:		
Depreciation of tangible assets	26,908	26,576
Interest received	-	(166)
Taxation charge	-	30
Decrease/(increase) in debtors	10,537	(41,144)
(Decrease)/increase in creditors	(42,656)	101,921
Net cash generated from operating activities	51,406	215,291
Cash flows from investing activities		
Purchase of tangible fixed assets	(8,963)	(42,495)
Interest received	-	166
Net cash from investing activities	(8,963)	(42,329)
Net increase in cash and cash equivalents	42,443	172,962
Cash and cash equivalents at beginning of year	382,249	209,287
Cash and cash equivalents at the end of year	424,692	382,249
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	424,692	382,249
	424,692	382,249

The notes on pages 29 to 40 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pounds sterling which is the functional currency and are rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 2).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

1.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

1.3 Going concern

The financial statements have been prepared on a going concern basis.

In common with all businesses in the UK, the Group has been impacted by the government's response to the COVID 19 pandemic. The Directors have taken steps to minimise the impact on the Group in line with the government's advice and recommendations.

The steps taken include

- the introduction of homeworking; and
- revising budgets to consider the impact of COVID 19 on the business, and the needs of staff homeworking.

While the uncertainty surrounding the duration of the pandemic suggests that the Group is unlikely to be completely unaffected, the Directors consider that it is well placed, particularly in cash terms, to ensure that there are no long term structural consequences on its business.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable. Income represents grant income and amounts receivable from arranging conferences and the provision of training. Grant income is principally from the DLUHC supplemented by the lesser amount from the Welsh Government.

Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Comprehensive Income over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Comprehensive Income as the related expenditure is incurred. The unamortised deferred income relating to the government grant is £16,703 (2020 - £26,235) of which £9,552 (2020 - £9,552) is shown in creditors due within one year and the remainder shown as creditors due after one year.

1.5 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.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

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:

Short term leasehold property	- over the life of the lease
Fixtures and fittings	- 33% straight line
Computer equipment	- 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 the Consolidated Statement of Comprehensive Income.

1.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.7 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.

1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.9 Financial instruments

The Group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

1.10 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.

1.11 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.12 Interest income

Interest income is recognised in the income statement using the effective interest method.

1.13 Taxation

Tax is recognised in the income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

There are not considered to be any significant judgments in dealing with the numerical aspects of these financial statements. However the financial statements have been prepared on the going concern basis and although this is considered appropriate in this case, matters relating to this judgment have been detailed further in the operating and financial review.

3. Turnover

An analysis of turnover by class of business is as follows:

	2021	2020
	£	£
Levelling Up, Housing and Communities	1,780,928	1,925,953
Release of Deferred Capital Grant	9,532	9,552
Welsh Government	50,019	56,298
	1,840,479	1,991,803

All turnover arose within the United Kingdom.

4. Operating surplus/(deficit)

The operating surplus/(deficit) is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	26,908	26,576
Fees payable to the Group's auditor for the audit of the company's annual accounts	6,581	6,248

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts (inclusive of VAT)	6,581	7,088
	-	-
Fees payable to the Group's auditor in respect of:		
Regulatory compliance report	629	625

6. Employees

	2021 £	2020 £
Wages and salaries	1,018,356	988,631
Social security costs	105,456	100,210
Costs of defined contribution scheme	88,633	90,175
	1,212,445	1,179,016

The average monthly number of employees, including the Directors, during the year was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Chief executive	1	1	1	1
Professional advisers	16	16	18	18
Frontline support staff	4	4	4	4
Back office support staff	3	3	4	4
	24	24	27	27

7. Interest receivable

	2021 £	2020 £
Bank interest receivable	-	166
	-	166

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Taxation

	2021 £	2020 £
Corporation tax		
Current tax for the year	-	31
Total current tax	<u>-</u>	<u>31</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Surplus on ordinary activities before tax	<u>56,617</u>	<u>128,105</u>
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	10,757	24,340
Effects of:		
Non-taxable income	<u>(10,757)</u>	<u>(24,309)</u>
Total tax charge for the year	<u>-</u>	<u>31</u>

There were no factors that may affect future tax charges.

9. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The surplus after tax of the parent Company for the year was £56,617 (2020 - £166,353).

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Tangible fixed assets

Group

	Short term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	168,058	60,103	144,662	372,823
Additions	-	3,524	5,439	8,963
At 31 March 2021	168,058	63,627	150,101	381,786
Depreciation				
At 1 April 2020	141,803	60,103	115,823	317,729
Charge for the year on owned assets	9,552	1,166	16,190	26,908
At 31 March 2021	151,355	61,269	132,013	344,637
Net book value				
At 31 March 2021	16,703	2,358	18,088	37,149
At 31 March 2020	26,255	-	28,839	55,094

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Short leasehold	16,703	26,255

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Tangible fixed assets (continued)

Company

	Short term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	168,058	60,103	144,662	372,823
Additions	-	3,524	5,439	8,963
At 31 March 2021	168,058	63,627	150,101	381,786
Depreciation				
At 1 April 2020	141,803	60,103	115,823	317,729
Charge for the year on owned assets	9,552	1,166	16,190	26,908
At 31 March 2021	151,355	61,269	132,013	344,637
Net book value				
At 31 March 2021	16,703	2,358	18,088	37,149
At 31 March 2020	26,255	-	28,839	55,094

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Short leasehold	16,703	26,255
	16,703	26,255

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Lease Conferences Limited	UK	Ordinary	100 %	Conferences; training and other commercial services to professionals and leasehold sector.

The aggregate of the share capital and reserves as at 31 March 2021 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

Lease Conferences Limited did not trade during the year ended 31 March 2021 and had no profit or loss for the year. Lease Conferences Limited was dissolved on 4 May 2021.

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	<u>1</u>
At 31 March 2021	<u>1</u>
Net book value	
At 31 March 2021	<u>1</u>
At 31 March 2020	<u>1</u>

THE LEASEHOLD ADVISORY SERVICE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	-	8,160	-	8,160
Other debtors	-	1,824	-	1,824
Prepayments and accrued income	58,834	59,387	58,834	59,387
	58,834	69,371	58,834	69,371

13. Cash and cash equivalents

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Cash at bank and in hand	424,692	382,249	424,692	382,248
	424,692	382,249	424,692	382,248

14. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	96,402	79,368	96,402	79,368
Other taxation and social security	30,128	34,724	30,128	34,724
Accruals and deferred income	26,467	72,029	26,468	72,029
	152,997	186,121	152,998	186,121

15. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Accruals and deferred income	7,151	16,683	7,151	16,683
	7,151	16,683	7,151	16,683

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. Reserves

Profit and loss account

The profit and loss account represents cumulative profits and losses.

17. 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.

18. 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 £88,633 (2020 - £90,175). Included in other creditors are £9,944 (2020 - £Nil) of pension contributions outstanding at the year end.

19. Related party transactions

The Company has taken advantage of exemptions conferred by section 33 of Financial Reporting Standard 102 and has not separately disclosed transactions with its wholly owned subsidiary.

Key management is defined as employees who take an active role in the management team. In the year this included four remunerated Directors (2020 - four). The aggregate cost of key management personnel, including employers national insurance and pension contributions, was £107,888 (2020 - £113,660).