

**The Advertising Standards Authority Limited**

**Registered number 00733214**

**Report and Financial Statements  
For the year ended 31 December 2019**



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**Council Members and Directors**

Lord Currie of Marylebone

Mr A Ahmed

Mr Z Al-Qassab

Mr R W Bailey

Ms K E Bee

Ms T L Follows

Mr W M Henderson

Mr D Hepworth (resigned 26 April 2019)

Mrs S J McCarthy

Ms K Miller (appointed 26 April 2019)

Ms N Patel

Ms S E Peermohamed

Mr N A Stevenson

Mr J S Younger

**Secretary**

Mr T Kelman

**Auditors**

Moore Kingston Smith LLP

6<sup>th</sup> Floor Charlotte Building

17 Gresse Street

London W1T 1QL

**Bankers**

Lloyds Bank plc

32 Oxford Street

London W1A 2LD

**Solicitors**

Bates Wells & Braithwaite London LLP

10 Queen Street Place

London

EC4R 1BE

**Registered Office**

Castle House

37-45 Paul Street

Shoreditch

London

EC2A 4LS

## **Report of the Council**

The Council has pleasure in presenting its annual report and financial statements for the year ended 31 December 2019 with respect to the company The Advertising Standards Authority Limited (also known as the ASA).

With effect from 1 November 2004 the ASA assumed responsibility for standards in broadcast advertising media under the Deregulation and Contracting Out Act 1994. This necessitated the creation of a separate company – the Advertising Standards Authority (Broadcast) Limited (the ASAB) – to conduct the work and a separate company, mirroring the Advertising Standards Board of Finance Limited (ASBOF), to provide the finance. The financial statements presented here reflect the cost of non-broadcast activity only. Separate financial statements have been provided for the broadcast activity. Activity-specific costs have been allocated to the appropriate function; other non-specific function costs have been shared between the two companies on a pro-rata basis agreed between the two financing bodies.

## **Council Members and Directors**

The names of the Council Members and Directors who served during the year are shown on page 2 of this report. During the year one Director, namely Ms K Miller, was newly appointed, and one Director, namely Mr D Hepworth retired by rotation at the end of his fixed term. These changes took place with effect from the Annual General Meeting of the Company held on 26 April 2019.

## **Principal activity**

The principal activity of the ASA continued to be that of promoting and enforcing the highest standards of advertising in all non-broadcast media throughout the United Kingdom.

## **Financial statements**

The results for the year and the state of the ASA's affairs are set out in the attached financial statements.

The ASA is a company limited by guarantee and has no share capital. The ASA is precluded by its memorandum from making any distribution to its members.

## **Review of activities**

The costs of operating the ASA continue to be closely monitored by its Executive management team and the Board.

## **Report of the Council (continued)**

### **Key risks and performance indicators**

As part of its annual planning process, the management team produces Corporate Objectives, Key Performance Indicators (KPIs) and a Budget for the following year. It also updates its Risk Register, with risks rated by importance and likelihood and featuring corresponding control measures to mitigate them.

The most significant risks were: insufficient funding due to online advertising not being able to pay its way in the short- to mid-term; insufficient funding due to Brexit uncertainty and/or a global recession leading to lower ad spend, thereby reducing levy income; difficulties enforcing the CAP Code against website and social media advertising claims; and non-evidence-based calls for the advertising of higher-risk products or services to be subject to restrictions or bans, leading to disproportionate and/or poorly targeted regulation.

The control measures implemented were: deliver our 2019-2023 Strategy, which has online ad regulation at its heart, and provide a compelling case to the ad industry for sufficient funding to fully deliver that strategy; set budgets that respond to the financial reality; support our funding Boards, as appropriate, with their short- and long-term strategies for future-proofing our funding; improve communication with our funding Boards to ensure early warning, so avoiding a funding 'cliff edge'; hold 'funding' meetings with our funding Boards each quarter to review ASA spend and forecasts; ensure that our funding Boards share their forecasts as and when they produce them; keep under review a series of contingency measures in the event of a funding gap; manage the website advertising risk through fair, thorough but speedy case handling, proactive project work and effective implementation of our policy for applying online sanctions; manage the threat of non-evidence based restrictions or bans by demonstrating the importance of an evidence-based approach, distinguishing higher-risk product/service concerns from the ASA system's wider responsibility to ensure advertisements are not misleading, harmful or offensive; and, in line with our strategy, be more proactive, including through our use of new technology, including data science, to identify and tackle problems early.

The ASA Board approved the Corporate Objectives, KPIs, Budget and Risk Register. It held the management team accountable for its performance against the KPIs, which included turnaround targets for the resolution of complaints about non-broadcast advertising. Those were published in the ASA's autumn Half-Year Statement and will again be published in its spring Annual Report.

### **Future developments**

The ASA will continue to promote and enforce the highest standards of advertising in non-broadcast media.

### **Going concern**

The Directors have assessed the potential impact of the coronavirus on the company's funding stream in consultation with our funders ASBOF. At present the Directors and our funders believe that funding will be affected, and they continue to monitor the situation on a regular basis and the Directors have already taken steps, including reducing expenditure, to ensure that the business can continue to trade and meet its liabilities as they fall due for at least one year from the date of approval of the financial statements. Contingency plans have been drawn up to deal with this fast moving situation and these will continue to be evolved to mitigate the impact of the crisis.

## **Report of the Council (continued)**

### **Qualifying third party indemnity provision**

The ASA has granted an indemnity to its Directors against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

### **Risk and Audit Committee**

The Risk and Audit Committee comprises a Chairman, at least three other Directors and the Company Secretary. The Committee meets not less than twice a year with the ASA Chairman and Chief Executive in attendance and, once per year, the auditors also attend. The Committee reviews the draft financial statements and post-audit findings before their presentation to the Board. The Committee examines the ASA's revenues and costs and advises on areas such as business performance and risk management. It also monitors the ASA's internal controls and financial reporting. Any significant findings or identified weaknesses are closely examined so that appropriate action can be taken, monitored and reported to the Board. The Committee advises the Board on the appointment of external auditors.

### **Council Members' and Directors' statement as to disclosure of information to auditor**

So far as each person who was a Council Member or Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Council Members and Directors and the ASA's auditor, each Council Member and Director has taken all the steps that he/she is obliged to take as a Director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Auditors**

Moore Kingston Smith LLP were appointed auditors to the ASA in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at the Annual General Meeting.

### **Statement of disclosure to auditors**

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Directors individually have taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

### **Small company exemptions**

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies exemption.

By order of the Council



Tom Kelman - Company Secretary

Date: 24 April 2020

### **Statement of Council Members' and Directors' responsibilities**

The Council Members and Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Council Members and Directors to prepare financial statements for each financial year. Under that law the Council Members and Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the Council Members and Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Council Members and Directors are required to:

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

The Council Members and 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADVERTISING STANDARDS AUTHORITY LIMITED**

### **Opinion**

We have audited the financial statements of The Advertising Standards Authority for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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 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.



### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

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

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

We have nothing to report in respect of the following matters where 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;
- 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' exemption in preparing the Directors' report and from the requirement to prepare a strategic report.

## **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement set out on page 6, 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 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 judgement 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 purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors'.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Valerie Cazalet (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
6<sup>th</sup> Floor Charlotte Building  
17 Gresse Street  
London  
W1T 1QL

Date *29 April 2020*

**Statement of Comprehensive Income  
for the year ended 31 December 2019**

	Notes	2019 £	2018 £
<b>Income</b>	2	6,381,971	6,008,137
<b>Costs</b>			
Staff costs	4i, ii	(3,911,355)	(3,846,167)
Other operating charges		(2,448,417)	(2,156,978)
		<u>(6,359,772)</u>	<u>(6,003,145)</u>
<b>Operating profit</b>	3	22,199	4,992
<b>Bank interest receivable</b>		<u>12,675</u>	<u>10,718</u>
<b>Profit before taxation</b>		34,874	15,710
<b>Tax charge</b>	5	<u>(9,885)</u>	<u>(1,905)</u>
<b>Profit for the financial year</b>		24,989	13,805
<b>Retained earnings at 1 January 2019</b>		<u>337,540</u>	<u>323,735</u>
<b>Retained earnings at 31 December 2019</b>		<u>362,529</u>	<u>337,540</u>

## Statement of Financial Position as at 31 December 2019

		2019 £	2018 £
	Notes		
<b>Fixed assets</b>			
Intangible assets	6	17,686	35,020
Tangible assets	7	300,433	74,498
		<u>318,119</u>	<u>109,518</u>
<b>Current assets</b>			
Debtors	8	522,552	594,955
Cash at bank and in hand		602,607	307,141
		<u>1,125,159</u>	<u>902,096</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(709,342)</u>	<u>(646,147)</u>
<b>Net current assets</b>		<u>415,817</u>	<u>255,949</u>
<b>Total assets less current liabilities</b>		<u>733,936</u>	<u>365,467</u>
<b>Creditors: amounts falling due after more than one year</b>	10	<u>(253,427)</u>	<u>(25,432)</u>
<b>Provision for liabilities</b>		<u>(117,980)</u>	<u>(2,495)</u>
<b>Net assets</b>		<u>362,529</u>	<u>337,540</u>
<b>Capital and reserves</b>			
Profit and loss account reserves		<u>362,529</u>	<u>337,540</u>

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

The financial statements were approved by the board of Directors and authorised for issue on 24 April 2020 and are signed on its behalf by:

  
Suzanne McCarthy  
Director

  
Tom Kelman  
Company Secretary

## Notes to the financial statements as at 31 December 2019

### 1. Accounting policies

#### 1.1 Company information

The Advertising Standards Authority Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Castle House, 37-45 Paul Street, London, EC2A 4LS.

#### 1.2 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.3 Going concern

The Directors have assessed the potential impact of the coronavirus on the company's funding stream in consultation with our funders ASBOF. At present the Directors and our funders believe that funding will be affected, and they continue to monitor the situation on a regular basis and the Directors have already taken steps, including reducing expenditure, to ensure that the business can continue to trade and meet its liabilities as they fall due for at least one year from the date of approval of the financial statements. Contingency plans have been drawn up to deal with this fast moving situation and these will continue to be evolved to mitigate the impact of the crisis.

#### 1.4 Revenue recognition

Cash received from ASBOF is credited to the profit and loss account in accordance with the amounts agreed with them for the financial year.

Income from seminars is recognised on the seminar date.

All expenditure is dealt with on an accruals basis.

#### 1.5 Intangible fixed assets

Intangible fixed assets acquired solely from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Software – 4 years straight line

**Notes to the financial statements as at 31 December 2019****1.6 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs include costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life as follows:

Leasehold improvements	- over remaining term of the lease to April 2025
Computer equipment	- 4 years
Office furniture & equipment	- 4 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**1.7 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

**1.8 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**Notes to the financial statements as at 31 December 2019****1. Accounting policies (continued)****1.9 Leases**

Rentals paid under operating leases, including any lease incentives, are charged to income on a straight line basis over the lease term.

Assets obtained under finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of change on the net obligation outstanding in each period.

**1.10 Employee benefits**

The company utilises a defined contribution pension scheme. Contributions to the defined contribution scheme are charged to the statement of comprehensive income as they become payable.

The cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

**2. Income**

In the year to 31 December 2019, all income was generated in the United Kingdom.

**3. Operating profit**

This is stated after charging:

	2019 £	2018 £
Emoluments of Council Members and Directors:		
Emoluments, attendance allowances and travel expenses	269,758	265,547
Auditor's remuneration:		
- Audit	15,720	15,882
- Non audit	3,420	4,602
Depreciation of fixed tangible assets	69,379	48,795
Amortisation of fixed intangible assets	18,582	18,367
Operating lease rentals for land and buildings	522,562	402,906
Hire purchase finance charges	2,064	2,405



**Notes to the financial statements as at 31 December 2019****4. i. Staff costs (including Council Members' and Directors' remuneration, see note 4. ii. below)**

	2019 £	2018 £
Wages and salaries	3,270,115	3,273,258
Social security costs	356,805	354,951
Pension contributions to defined contribution scheme	208,977	160,839
Permanent Health Insurance cover premium	42,523	34,024
Life Assurance cover premium	32,935	23,095
	<u>3,911,355</u>	<u>3,846,167</u>

**4. ii. Council members' remuneration**

The total emoluments and fees paid to the Council members, including the Chairman, were £269,758 (2018 – £265,547). The emoluments (including benefits) in respect of the Chairman, being the highest paid director, were £98,880 (2018 – £95,589) and £Nil (2018 – £Nil) to defined contribution pension schemes. Council members, other than the Chairman, were remunerated from £11,880 to £12,540 per annum.

**4. iii. Employees**

The average monthly number of individuals (including Council Members and Directors) employed jointly by the company and The Advertising Standards Authority (Broadcast) Limited during the year was 125 (2018 – 128).

**5. Tax charge**

	2019 £	2018 £
Corporation tax charge for the year	-	-
Deferred tax charge for the year	9,885	1,905
	<u>9,885</u>	<u>1,905</u>

## Notes to the financial statements as at 31 December 2019

## 6. Intangible fixed assets

	Computer software £
Cost:	
At 1 January 2019	136,813
Additions	1,248
Write off fully depreciated assets	(65,103)
Disposals	-
At 31 December 2019	<u>72,958</u>
Amortisation and impairment:	
At 1 January 2019	101,793
Charge for year	18,582
Write off fully depreciated assets	(65,103)
Disposals	-
At 31 December 2019	<u>55,272</u>
Net book value:	
At 1 January 2019	<u>35,020</u>
At 31 December 2019	<u>17,686</u>

## 7. Tangible fixed assets

	Leasehold improvements £	Computer hardware £	Office furniture & equipment £	Total £
Cost:				
At 1 January 2019	947,567	1,305,930	489,144	2,742,641
Additions	158,667	99,810	36,841	295,318
Write off fully depreciated assets	(947,567)	(1,248,172)	(462,307)	(2,658,046)
Disposals on relocation	-	(14,709)	(11,050)	(25,759)
Disposals	-	-	-	-
At 31 December 2019	<u>158,667</u>	<u>142,859</u>	<u>52,628</u>	<u>354,154</u>
Depreciation:				
At 1 January 2019	937,768	1,254,083	476,292	2,668,143
Charge for year	18,477	35,384	9,096	62,957
Write off fully depreciated assets	(947,567)	(1,248,172)	(462,307)	(2,658,046)
Disposals on relocation	-	(10,270)	(9,066)	(19,336)
Disposals	3	-	-	3
At 31 December 2019	<u>8,681</u>	<u>31,025</u>	<u>14,015</u>	<u>53,721</u>
Net book value:				
At 1 January 2019	<u>9,799</u>	<u>51,847</u>	<u>12,852</u>	<u>74,498</u>
At 31 December 2019	<u>149,986</u>	<u>111,834</u>	<u>38,613</u>	<u>300,433</u>

Included above are assets held under finance leases contracts with a NBV of £9,813 (2018 - £9,717) and depreciation charge for the year of £3,863 (2018 - £3,533).

**Notes to the financial statements as at 31 December 2019****8. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Due from the ASAB	27,364	37,704
Trade debtors	8,485	6,695
Sundry debtors and prepayments	486,703	550,556
	<u>522,552</u>	<u>594,955</u>

Debtors due from the ASAB include an amount of £12,685 (2018 - £16,531) which is due after more than one year.

**9. Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net obligations under finance lease	9,651	15,274
Trade creditors	181,659	119,997
Other taxes and social security costs	189,051	192,752
Sundry creditors and accruals	278,087	318,124
Pension contributions	50,894	-
	<u>709,342</u>	<u>646,147</u>

**10. Creditors: amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Premium received on lease assignment	232,163	-
Net obligations under finance lease	21,264	25,432
	<u>253,427</u>	<u>25,432</u>
<b>Net obligations under finance lease</b>		
Repayable within one year	9,651	15,274
Repayable between one and five years	21,264	25,432
	<u>30,915</u>	<u>40,706</u>
Included in liabilities falling due within one year (note 9)	(9,651)	(15,274)
	<u>21,264</u>	<u>25,432</u>

**11. Pension schemes**

The pension costs for the company during the year were £208,977 (2018 – £160,839). The company utilises a defined contribution scheme.

The defined contribution scheme was the IPA Portable Pension Plan until 5 April 2008 and a Self-Invested Personal Pension (SIPP) with Legal & General from 6 April 2008 until 31 December 2012. In 2013 the company introduced a flexible benefit scheme and changed the pension scheme to a Group Personal Pension Plan with Aegon. The company's contributions to this scheme are fixed at a maximum of 7% of pensionable salary for staff (15% for senior management). Members' contributions are variable.

**Notes to the financial statements as at 31 December 2019****12. Other financial commitments**

The company relocated in September 2019 from Mid City Place, High Holborn, London, to Castle House, Shoreditch, London. It has the following future commitments under a non-cancellable assigned operating lease which expires on 10 April 2025 as set out in the table below.

	<b>2019</b>	<b>2018</b>
	<b>Land &amp; Buildings</b>	<b>Land &amp; Buildings</b>
	<b>Castle House</b>	<b>Mid City Place</b>
	<b>£</b>	<b>£</b>
Less than a year	468,666	304,080
Within 2-5 years	1,874,664	-
After 5 years	128,402	-
	<u>2,471,732</u>	<u>304,080</u>

**13. Related party transactions**

During the year, the company charged the ASAB £1,125,882 (2018 – £1,206,710) for shared costs which were apportioned on staff headcount and workload.

At the balance sheet date the amount due from the ASAB was £27,364 (2018 – amount due from the ASAB £37,704).

The company received £6,245,000 (2018 - £5,895,000) in funding from ASBOF.