

## ACTUAL v BUDGET YEAR ENDED 31 DECEMBER 2020

	Actual YE 31-12-20			Budget YE 31-12-20		
	£	£	£	£	£	£
<b>INCOME</b>						
Practice Fees - Attorneys & Entities			959,306			959,536
Other Income			77,931			1,200
			<u>1,037,237</u>			<u>960,736</u>
<b>EXPENDITURE</b>						
<b>LEGAL SERVICES BOARD AND LEGAL OMBUDSMAN</b>						
LSB Levy		64,844			69,713	
LeO/ OLC Levy		5,000			5,000	
		<u>69,844</u>			<u>74,713</u>	
<b>OPERATIONAL EXPENDITURE</b>						
<b>Board Costs</b>						
Replacement of Board Members		0			5,000	
<b>CMA Market Study (Legal Choices) - supported by Reserve</b>		6,159			5,000	
<b>Compensation Policy Insurance Premium</b>		32,000			35,000	
<b>Conduct &amp; Disciplinary incl. Assurance &amp; Litigation</b>						
External legal Costs and hearing costs	24,951			35,000		
Recruitment/training of panel members	0			15,000		
		<u>24,951</u>		<u>50,000</u>		
<b>Corporation Tax</b>		280			250	
<b>Diversity Initiatives - supported by Reserve</b>		13,000			2,500	
<b>Education &amp; Projects</b>		8,816			5,000	
<b>Financial Expenses</b>		7,473			5,627	
<b>General Administration Expenses</b>						
Rent & Service Charges - Outer Temple	4,056			78,000		
Licence & Services - Little Britain	66,420			22,711		
Other Office Costs	12,334			0		
Provision against recoverability of costs award	26,391					
		<u>109,201</u>		<u>100,711</u>		
<b>IT Support (office and website)</b>						
Support and other costs	10,117			10,000		
CRM development - supported by Reserve	6,112			0		
CRM - OPEX	12,377			13,000		
		<u>28,606</u>		<u>23,000</u>		
<b>Legal &amp; Professional</b>						
Legal & Professional Costs	20,855			20,460		
Review of Regulatory Arrangements	2,980			0		
		<u>23,835</u>		<u>20,460</u>		
<b>PR/Communications</b>						
		628			6,000	
<b>Staff Costs</b>						
CEO	79,286			78,800		
Regulatory Officers (Budget incl Paralegal £30k)	264,419			299,700		
Administrative Staff	70,580			70,400		
Directors' Remuneration	71,248			82,200		
Employer's NI - staff	44,415			49,500		
Employer's NI - directors	3,743			4,300		
Pension Costs	11,611			11,600		
Staff Benefits	6,657			6,150		
Staff development & Training	0			3,000		
		<u>551,959</u>		<u>605,650</u>		
		876,752		938,911		
Contingency		0		5,000		
<b>TOTAL EXPENDITURE</b>			<u>876,752</u>			<u>943,911</u>
<b>OPERATING BALANCE</b>			<u>£160,485</u>			<u>£16,825</u>

## ACTUAL v BUDGET YEAR ENDED 31 DECEMBER 2020

## Notes

1 [Income](#)

Budgeted Practice Fees is the estimated 2019 practice fees from renewals plus a proportion of the estimated amount for admissions of attorneys during the year. Budgeted Other Income is only in respect of bank interest. As the number of applications in respect of role holder positions and licensed bodies are outside our control, as per our usual practice, we do not include a figure for them in the budget.

The breakdown of income is as follows:

	Actual		Budget	
	£	£	£	£
Practice Fees:				
Practice Fees - Attorneys and Entities		939,685		932,823
Admissions - Attorneys		<u>19,621</u>		<u>26,713</u>
		959,306		959,536
Other Income:				
Late payment penalty fees	4,412		0	
Licensed body application fees	913		0	
Role holder registrations	6,000		0	
Costs awards from disciplinary cases	62,618		0	
Disciplinary fine	2,500		0	
Bank Interest Receivable	<u>1,488</u>		<u>1,200</u>	
		77,931		1,200
		<u>£1,037,237</u>		<u>£960,736</u>

Included in the costs awards from disciplinary cases is an amount of £26,391 which is fully provided for as potentially irrecoverable (see General Administration Expenses)

2 [LSB Levy](#)

The LSB year end is 31 March and the charge for the LSB Levy is made up of 3 months of 2019/2020 levy and 9 months of 2020/2021 levy. The actual levy for 2020/2021 of £64,842 is lower than budgeted.

3 [Conduct & Disciplinary](#)

The recruitment and training of the panel was delayed and carried forward to 2021 as a consequence of COVID-19.

4 [Diversity Initiatives](#)

Grants have been paid to the following:

Stemettes Futures	£	5,000
in2scienceUK.org		<u>8,000</u>
		<u>£13,000</u>

5 [Financial Costs](#)

The largest component of the Financial Expenses budget line relates to commission and charges on card transactions. The number and value of card transactions is significantly higher than in previous years.

6 [Regulatory Officers](#)

Included in the budget are costs for a paralegal/regulatory policy officer. As a consequence of COVID-19, the recruitment and appointment was postponed to 2021.