

ACTUAL v BUDGET FOR YEAR ENDED 31 DECEMBER 2022

	Note	Actual		Budget	
		£	£	£	£
INCOME	<i>a.</i>		1,102,246		1,013,213
EXPENDITURE					
LEGAL SERVICES BOARD AND LEGAL OMBUDSMAN	<i>b.</i>		76,491		74,440
OPERATIONAL EXPENDITURE					
Board/Directors	<i>c.</i>		98,502		78,000
Conduct & Disciplinary incl. Assurance & Litigation	<i>d.</i>		64,140		50,000
Corporation Tax			217		150
Diversity Initiatives	<i>e.</i>		10,600		7,000
Education & Projects	<i>f.</i>		24,729		5,000
Financial Expenses			6,307		7,000
General Administration Expenses	<i>g.</i>		123,515		98,480
IT Support (office and website)	<i>h.</i>		24,846		43,000
Legal & Professional	<i>i.</i>		57,434		85,000
Legal Choices			5,800		5,800
PR/Communications			699		3,000
Staff Costs	<i>j.</i>		579,943		565,000
TOTAL EXPENDITURE			1,073,223		1,021,870
OPERATING BALANCE			£29,023		-£8,657

See notes overleaf

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Notes:

a. Income

	Actual		Budget	
	£	£	£	£
Practice Fees: Attorneys & Entities		1,033,301		1,013,213
Other Income:				
Licensed Body application fees	9,555			
Late payment penalty fees	2,418			
Role Holder application fees	1,000			
Bank interest receivable	1,421			
Costs Award from disciplinary cases (see note g)	26,994			
Education/Accreditation recharge (see note f)	27,555			
		68,943		0
		<u>1,102,244</u>		<u>1,013,213</u>

Budgeted Other Income - no estimate has been made for other income from bank interest and as per our usual practice, from role holder/licensed body applications and costs awards/fines from disciplinary cases as these are outside our control.

b. Legal Services Board and Legal Ombudsman

	Actual		Budget	
	£	£	£	£
LSB Levy		71,491		69,440
LeO/OLC Levy		5,000		5,000
		<u>76,491</u>		<u>74,440</u>

The LSB year end is 31 March, therefore the expense is made up of 2 levy years. The 2022 budget figure was been calculated by prorating the indicative levy for 2021/2022 and taking a prorated proportion of an estimated levy for 2022/2023 (based on a 3.98% increase).

c. Board/Directors

	Actual		Budget	
	£	£	£	£
Replacement of Board Members		19,442		5,000
Remuneration		71,412		67,100
Travel & Subsistence		3,766		2,000
Employer's NI and Health & Social Care Levy		3,882		3,900
		<u>98,502</u>		<u>78,000</u>

Board members are also directors of The Intellectual Property Regulation Board Limited.

Fees - remain at the same level as 2020. Remuneration also includes fees in respect of activities relating to the Governance Working Group and meetings with the LSB. Fees for other activities have been allocated where applicable to relevant budget lines and not shown in remuneration.

Travel & subsistence to attend all board meetings in person (grossed up and paid through payroll) is shown separately and not part of Directors' Remuneration for transparency.

ACTUAL v BUDGET FOR YEAR ENDED 31 DECEMBER 2022

Notes (continued):

d. Conduct & Disciplinary incl. Assurance & Litigation

	Actual		Budget	
	£	£	£	£
External Legal costs and hearing costs		29,067		35,000
Recruitment/training of panel members		35,073		15,000
		<u>64,140</u>		<u>50,000</u>

e. Diversity Initiatives

	Actual		Budget	
	£	£	£	£
Donations		10,600		7,000
		<u>10,600</u>		<u>7,000</u>

Donations were made to: IP Inclusive £2,600 and In2Science £8,000.

f. Education & Projects

Education and Projects: included are costs for the accreditation review of the Postgraduate Certificate in Intellectual Property Law, Postgraduate Certificate in Trade Mark Law & Practice and Masters of Science in Management of Intellectual Property Law Courses at Queen Mary University and also the costs for the accreditation review of the Patent Examination Board Diploma Examinations . These costs have been recharged to Queen Mary University and the Patent Examination Board (see note a) .

g. General Administration Expenses

	Actual		Budget	
	£	£	£	£
Licence & Services		79,200		78,480
Other Office Costs		17,321		20,000
Provision against the recoverability of costs awards (see note a)		26,994		0
		<u>123,515</u>		<u>98,480</u>

h. IT Support (office and website)

	Actual		Budget	
	£	£	£	£
Support		9,082		10,000
CRM - Operational		12,164		13,000
CRM - Enhancements		3,600		20,000
		<u>24,846</u>		<u>43,000</u>

ACTUAL v BUDGET FOR YEAR ENDED 31 DECEMBER 2022

Notes (continued):

i. Legal & Professional

	Actual		Budget	
	£	£	£	£
Legal & Professional Costs		19,133		20,000
Actuarial and Legal Costs in respect of Compensation Fund		8,960		15,000
Review of Regulatory Arrangements		29,341		50,000
		<u>57,434</u>		<u>85,000</u>

Legal & Professional Costs - Review of regulatory arrangements covers anticipated expenditure in respect of advice on diversity, advice on Professional Indemnity insurance and other ancillary costs.

j. Staff Costs

	Actual		Budget	
	£	£	£	£
CEO		85,936		82,250
Regulatory Officers		319,061		322,300
Administrative Staff		77,068		74,100
Employer's NI and Health & Social Care Levy		48,394		57,650
Pension Costs		11,370		12,700
Staff Benefits		7,166		8,000
Staff development and training		948		3,000
Staff Recruitment		30,000		5,000
		<u>579,943</u>		<u>565,000</u>

Staff costs - staff salaries increased by 5%, the 2022 Budget anticipated a 2.5% increase.