

To:	Legal Services Board	
Date of Meeting:	21 January 2016	Item: Paper (16) 09

Title:	Finance Report to 31 December 2015	
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Status:	Official	

Summary:
This paper summarises the financial position as at the end of December 2015.

Recommendation(s):
The Board is invited to note and to comment on the Finance Report.

Risks and mitigations	
Financial:	There are no financial risks – this is a factual report
Legal:	There are no legal risks- this is a factual report
Reputational:	The LSB needs to be seen as effective in managing funds at its disposal. The Board needs to satisfy itself that this is the case. The Executive also consider how it is has used it funds on a monthly basis and will take any necessary action as a result of this review.
Resource:	There are no resource risks- this is a factual report

Consultation	Yes	No	Who / why?
Board Members:		✓	N/A- routine update and commentary
Consumer Panel:		✓	
Others:	N/A		

Freedom of Information Act 2000 (Fol)		
Para ref	Fol exemption and summary	Expires
N/A	None	

LEGAL SERVICES BOARD

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Finance report for December 2015

Purpose

1. This paper provides a brief commentary about the period ending 31 December 2015. A financial report is attached (**Appendix 1**).

Recommendation

2. The Board is invited to note and to comment on the Finance report.

Points to note

3. This report covers the first nine months of the year and spending is largely in line with expectations and forecasted variances.
4. *Overall position* –spending to the end of December is £2,511,162 against a budget of £2,676,396 resulting in an underspend of £165,234 (£120,232 in 2014).
5. *Cash position* - following supplier, legal, HMRC and salary payments in September, the funds held in the bank have decreased from £4.46m to £4.19m.
6. The executive continue to manage their costs carefully, seeking opportunities for reduction where possible and to drive ongoing efficiency. In year underspends are as a result of careful management particularly of running costs.
7. An analysis of the main spending headings reveals:
 - a) **Board Costs** – The Board continues to operate with two vacancies. Interviews have been held for the non-lay role and a decision is expected in the near future. In the meantime this budget will continue to underspend.
 - b) **Staff Costs** –Neil Buckley, LSB's new CEO took up his role at the beginning of January.
 - c) **Legal and Associated Costs** - Now that the outcome of the appeal to the Supreme Court on QASA has been published, upholding our original decision, we are seeking to recover costs up to the maximum available under the Protective Costs Orders, issued by the various courts. We have had confirmation that we will shortly receive this refund direct to our bank account. In line with our previous commitment this will be given back to the profession by way of a reduction to the levy for 2016/17.

EJ 10.11.15