

To:	Legal Services Board	
Date of Meeting:	23 May 2013	Item: Paper (13) 36

Title:	Draft LSB Annual Report and Accounts 2012/13 for approval	
Introduced by:	Julie Myers, Corporate Director julie.myers@legalservicesboard.org.uk / 020 7271 0059	
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Status:	Unclassified	

Summary:

We are required to produce an Annual Report and Accounts (Report) each year. The Report not only forms part of our accountability obligations to Parliament and to stakeholders but is also an opportunity to formally share our achievements during the 2012/13 business plan year. The Accounting Officer is due to sign the Report on 24 May and it is scheduled to be laid before Parliament on 11 June 2013.

Risks and mitigations

Financial:	N/A.
FoIA:	Annex A – Section 22: Information intended for future publication
Legal:	N/A.
Reputational:	N/A
Resource:	N/A.

Consultation	Yes	No	Who / why?
Board Members:	✓		Iterations of the draft Report have been reviewed both by the Board and ARC.
Consumer Panel:		✓	N/A.
Others:	The draft Report was submitted for information to Ministry of Justice (MoJ) on 17 April and subsequent drafts have been provided including a copy of the version attached at Annex A. This has been submitted to the Minister. The CEO and Chairman will meet her on 12 June.		

Recommendations:

- (1) to **agree** the draft LSB Annual Report and Accounts 2012/13
- (2) to **delegate** authority to approve the submission of the LSB Annual Report and Accounts 2012/13 to the Comptroller and Auditor General and Lord Chancellor to Chairman and Chief Executive.

LEGAL SERVICES BOARD

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Draft LSB Annual Report and Accounts 2012/13 for approval

Executive Summary

Recommendations

The Board is invited:

- (3) to **agree** the draft LSB Annual Report and Accounts 2012/13
- (4) to **delegate** authority to approve the submission of the LSB Annual Report and Accounts 2012/13 to the Comptroller and Auditor General and Lord Chancellor to Chairman and Chief Executive.

Context

1. The Legal Services Act 2007 requires the Board to produce a Report for each financial year covering:
 - the discharge of the Board's functions
 - the extent to which, in the Board's opinion, the Board has met the regulatory objectives
 - such other matters as the Lord Chancellor may from time to time direct.
2. The Board must also produce an annual statement of accounts.

Background

3. The Board was invited in early April to review, out of committee, a draft version of Section A of the Report. The ARC was separately invited to review, out of Committee, Section B, the financial narrative, Governance Statement and financial statements and notes.
4. Comments received from Board Members - as well as from the National Audit Office (NAO) and the Internal Auditors - have been addressed. The NAO anticipates certifying the financial statements with an unqualified audit opinion without modification and present the audit certificate as included in the report at **Annex A**.

Audit and Risk Committee review

5. The ARC considered the Report in detail at its meeting on 13 May and have endorsed it to the Board.
6. LSB colleagues have proof read the 'designed Report' and have amended the version the ARC considered to take into account design errors and changes they spotted and the ones notified by the Committee or the auditors.

7. The Chairman's foreword has subsequently been amended to sharpen the focus on regulatory performance and to note with regret the Ministerial decision on will-writing.

Next steps

8. On the basis of the ARC's endorsement, provided at its 13 May meeting, the Board is now invited to **approve** the attached Report for submission to the Comptroller and Auditor General (C&AG) and the Lord Chancellor.
9. NAO have confirmed that, once signed, the Annual Report and Accounts will be subjected to some high level checks and the final subsequent events review (the confirmation from the Accounting Officer that nothing has changed between the date he has signed them and the date the C&AG provides certification), the C&AG is expected to provide certification during the week beginning 3 June 2013.
10. The Report is on scheduled to be laid before Parliament on 11 June (19 June for the 2011/12 Report).
11. To launch the Report, a media release will be issued, focusing on the core messages from the Chairman's introduction, which, as in previous years, should be accompanied by supportive remarks by the Minister. This will be supplemented by distribution to key stakeholders and proactive briefing of media. The Report also presents an opportunity for a major interview with the Chairman. As suggested in an earlier paper, one possible theme would be oversight, but it would also be possible to use it to project messages about the need to reduce cost and complexity in regulation.

14.05.13