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# Serious Fraud Office

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## Introduction

1. This Estimate covers the administration costs, capital costs and operational costs incurred by the Serious Fraud Office (SFO) and the National Fraud Authority (NFA). Included are the costs of the SFO and NFA staff, fees to Counsel and outside accountants, witness expenses, use of information technology to improve presentation of evidence, other investigation and prosecution costs and defendant's costs ordered by the courts to be paid by the SFO. Further details of the expenditure of the SFO are provided in the 2008-09 Departmental Resource Accounts.

2. Symbols are explained in the introduction to this booklet.

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# Serious Fraud Office

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## Part I

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<b>Request for Resources 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>	<b>38,932,000</b>
<b>Total net resource requirement</b>	<b>38,932,000</b>
<b>Net cash requirement</b>	<b>40,788,000</b>

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Amounts required in the year ending 31 March 2010 for expenditure by the Serious Fraud Office on:

### RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law

Administration, investigation, prosecution and associated non-cash items.

The **Serious Fraud Office** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
<b>RfR 1</b>	<b>38,932,000</b>	<b>17,572,000</b>	<b>21,360,000</b>
<b>Total net resource requirement</b>	<b>38,932,000</b>	<b>17,572,000</b>	<b>21,360,000</b>
<b>Net cash requirement</b>	<b>40,788,000</b>	<b>18,400,000</b>	<b>22,388,000</b>

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**Part II: Subhead detail**

£'000

2009-10 Provision						2008-09 Provision	2007-08 Outturn		
Resources						Capital	Non-operating	Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A		
1	2	3	4	5	6	7	8	9	10
<b>RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>									
-	38,982	-	38,982	50	38,932	3,530	-	56,325	56,024
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A	Investigations and prosecutions								
-	35,182	-	35,182	50	35,132	3,500	-	52,898	56,024
B	National Fraud Authority								
-	3,800	-	3,800	-	3,800	30	-	3,427	-
<b>Total for Estimate:</b>									
-	38,982	-	38,982	50	38,932	3,530	-	56,325	56,024

## Part II: Resource to cash reconciliation

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement</b>	<b>38,932</b>	<b>56,325</b>	<b>56,024</b>
<b>Voted capital items</b>			
Capital	3,530	3,703	4,223
Less Non-operating A-in-A	-	-	-
<b>Total net voted capital</b>	<b>3,530</b>	<b>3,703</b>	<b>4,223</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-79	-225
Depreciation	-1,530	-1,845	-1,651
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-65	-45
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	285
Increase (-) / Decrease (+) in creditors	-	-	-917
Use of provisions	-	-	232
<b>Total accruals to cash adjustments</b>	<b>-1,674</b>	<b>-1,989</b>	<b>-2,321</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>40,788</b>	<b>58,039</b>	<b>57,926</b>

### Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	£'000					
	2009-10 Provision		2008-09 Provision		2007-08 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	125	53
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>125</b>	<b>53</b>

## Forecast Operating Cost Statement

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Programme Costs</b>			
RfR 1	38,932	56,325	56,024
Non-voted	-	-	-
<b>Total Net Programme costs</b>	<b>38,932</b>	<b>56,325</b>	<b>56,024</b>
<b>Total Net Operating Cost</b>	<b>38,932</b>	<b>56,325</b>	<b>55,899</b>
<i>of which:</i>			
Net Resource Requirement	38,932	56,325	56,024
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-125
Reduction in planned spend unable to be included in Estimate	-	-	-
<b>Resource Budget</b>	<b>38,932</b>	<b>56,325</b>	<b>55,964</b>

## Notes to the Main Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement (Estimates)</b>	<b>38,932</b>	<b>56,325</b>	<b>56,024</b>
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	-	-	-
Consolidated Fund Extra Receipts in the OCS	-	-	-125
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>38,932</b>	<b>56,325</b>	<b>55,899</b>
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	-	-	65
<b>Resource Budget (Budget)</b>	<b>38,932</b>	<b>56,325</b>	<b>55,964</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	38,932	56,325	55,964
Annually Managed Expenditure (AME)	-	-	-

### Reconciliation of capital expenditure between Estimates and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Voted Capital (Estimates)</b>	<b>3,530</b>	<b>3,703</b>	<b>4,223</b>
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	-	-	-
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
<b>Capital Budget (Budget)</b>	<b>3,530</b>	<b>3,703</b>	<b>4,223</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	3,530	3,703	4,223
Annually Managed Expenditure (AME)	-	-	-

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## Notes to the Main Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

**Request for Resources 1:** Richard Alderman, Director of the Serious Fraud Office

Richard Alderman, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Richard Alderman is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- Observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual* (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

## Notes to the Main Estimate (*continued*)

### Analysis of operating appropriations in aid (A in A)

	<b>£'000</b>		
	<b>2009-10 Provision</b>	<b>2008-09 Provision</b>	<b>2007-08 Outturn</b>
<b>RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>			
<b>Programme</b>	<b>50</b>	<b>1,570</b>	<b>208</b>
<i>of which:</i>			
Sale of goods and services	50	1,570	-
Regulatory licences, fines, penalties and taxes	-	-	208
<b>Total RfR 1</b>	<b>50†</b>	<b>1,570</b>	<b>208</b>
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income arising from costs awarded to the SFO in court; and the Recovered Assets Incentivisation Fund.</i>			
<b>Total Operating A in A</b>	<b>50</b>	<b>1,570</b>	<b>208</b>

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**Notes to the Main Estimate (*continued*)**
**Analysis of Consolidated Fund extra receipts**

	<b>£'000</b>					
	<b>2009-10</b>		<b>2008-09</b>		<b>2007-08</b>	
	<b>Provision</b>		<b>Provision</b>		<b>Outturn</b>	
	<i>Income</i>	<i>Receipts</i>	<i>Income</i>	<i>Receipts</i>	<i>Income</i>	<i>Receipts</i>
The CFER Income and Receipts in 2007-08 represented costs recovered directly by the SFO $\Phi$	-	-	-	-	125	53
<b>Total</b>	-	-	-	-	<b>125</b>	<b>53</b>

## Notes to the Main Estimate (*continued*)

### Departmental Expenditure Limits and Administration budgets

	<b>£'000</b>		
	<b>Voted</b>	<b>Non-voted</b>	<b>Total</b>
Resource DEL	38,932	-	38,932
<i>of which: †</i>			
Administration budget	-	-	-
Near-cash in RDEL	37,258	-	37,258
Capital DEL ††	3,530	-	3,530
Less Depreciation †††	-1,530	-	-1,530
<b>Total DEL</b>	<b>40,932</b>	<b>-</b>	<b>40,932</b>

† The total of the 'Administration Budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

### Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2009-10 of £38,932,000 is 30.9 per cent lower than the final net provision for 2008-09 of £56,325,000 and 26.3 per cent lower than the forecast outturn for 2008-09 of £52,855,000.

### Cash which may be retained to offset expenditure

	<b>£'000</b>		
	<b>2009-10 Provision</b>	<b>2008-09 Provision</b>	<b>2007-08 Outturn</b>
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	50	1,570	208

