

CHAPTER 5

TRADE AND INDUSTRY

Departments included in this chapter:

1. Department of Trade and Industry
2. Office of Fair Trading
3. Office of Telecommunications
4. Office of Gas Supply
5. Office of Electricity Regulation
6. Export Credits Guarantee Department

DEPARTMENT OF TRADE AND INDUSTRY

Introduction

The Department of Trade and Industry (DTI) National Asset Register records all material fixed assets owned and controlled directly by the DTI and those in executive non-departmental public bodies and public corporations for which it is responsible. Over recent years, the Department has been reducing its fixed asset base, particularly in respect of land and buildings, and continues to do so. For example projects are under way which will result in the transfer of ownership to external contractors of more of the DTI's computer systems. Compilation of the National Asset Register and the development of resource accounting and budgeting are providing a focus for more comprehensive scrutiny of the Department's asset base, which is likely to result in further efficiency savings.

Bodies covered

The scope of the Register covers the core Department and its Executive Agencies including Trading Funds and a similar format has been adopted for all organisations falling within this category. The Department currently has six Executive Agencies: Companies House, The Insolvency Service, The National Weights and Measures Laboratory, The Patent Office, The Radiocommunications Agency and The Employment Tribunals Service (created as an agency on 1 April 1997). Companies House and the Patent Office are Trading Funds, the remainder are on-Vote Agencies.

The executive non departmental public bodies sponsored by the DTI have been separately identified within the Register. Summary asset information from the most recent audited accounts has been provided, with details of where a copy of the full annual report and accounts can be obtained. Those organisations whose net fixed asset base was valued below £100k have not been included.

Summary information has also been provided for public corporations sponsored by DTI. The information given has been extracted from the most recent audited accounts.

Details of where a copy of the full report and accounts can be obtained is given where appropriate.

Core DTI accounting policies

The Department is currently in the process of reviewing its existing accounting policies in preparation for the introduction of resource accounting in 1998-99.

- The current capitalisation threshold for fixed assets is £1,000, but this is under review;
- All assets are depreciated on a straight line basis over their useful economic life;
- Depreciation is calculated using modified historic costs calculated by using appropriate indices;
- Freehold land and buildings are valued on the basis of professional valuations.

Departmental Asset Register

(I) Core Department

(i) Land and Buildings

Assets listed under Land and Buildings include only those properties owned and controlled by the DTI.

(a) Freehold Property

Site	Description/Usage
National Physical Laboratory Queens Rd, Teddington, Middx	Buildings occupied by the National Physical Laboratory - see (c) below
Eastcote Site, Hillingdon, Middx	Site comprises 20 acres of land with 4 blocks of buildings offering 20,000m ² of office accommodation. The buildings are of 1944 single storey prefabricated construction. Two of the blocks are empty and the two remaining are occupied by US forces. The need for site retention is being considered, taking account of the US Forces requirements.
Core Store, Gilmerton Rd, Edinburgh	Two storey building used for storage of exploration cores by Oil and Gas Directorate. Site occupies approximately 4400m ²

(b) Historic Leasehold Property

Site	Description/Usage
Bayheath House, Stockton on Tees	Occupied by the Government Office of the North East Task Force. 170m ² of modern open plan office accommodation. To be vacated in December 1997. Lease expires in 2000.
Stanegate House, 2 Groat Market Newcastle Upon Tyne	Occupied by the Government Office of the North East. 2,285m ² of older style office accommodation. Lease expires end of 2000.
Wellbar House, Gallogate Newcastle upon Tyne	Occupied by the Government Office of the North East. 4,239m ² of modern office accommodation. Lease expires 2004.

Note: In addition to the above, the Department occupies other leasehold property for which it pays rent. Examples are the central London Headquarters offices. Also the Department is a minor occupier in some buildings. These categories of buildings are not assets owned by the DTI and hence are not included here.

(c) Teddington site

The Teddington site covers approximately 69 acres of land and provides some 30,000m² of accommodation within 53 buildings.

Freehold Land

The DTI has a freehold interest in approximately 33 acres of land. Certain restrictions of a historic nature exist in respect of the freehold land and property on the site.

Leasehold Land

The DTI has a leasehold interest in a further approximately 23 acres of land. The term is 99 years and 21 days expiring on 5 July 2056. There are a number of restrictions in the lease which affect the ability of the DTI to use the land other than for offices and laboratories and also prevent an assignment or underletting. A further 13 acres at the site are Royal Parks

Buildings

The National Physical Laboratory occupies 46 buildings at Teddington, NWML occupies 1, 2 buildings are leased to the Laboratory of the Government Chemist (Teddington) Limited, and 4 other buildings are sub-let to other commercial tenants.

The accommodation used by the National Physical Laboratory can be categorised as follows:

Use	Number of buildings	Area in m ²
Buildings for Special Equipment - where the buildings are generally designed to suit the equipment	6	3,778
Buildings for Radiation Science - these are highly specialised for use in radiation science	8	5,339
Buildings providing Specialist Environments - temperature control, anechoic chambers, clean rooms and non-magnetic laboratories	6	5,796
General Purpose Laboratory Space	10	12,541
Office and General Support Facilities	5	3,195
Ancillary and Plant Rooms	11	(various small buildings)

Note: The NPL site is currently the subject of a PFI scheme to comprehensively redevelop the laboratory accommodation. The contract is expected to be finalised in early 1998, and the new laboratory to be in operation in the year 2000.

(ii) Office Machinery and Equipment

The Departmental Asset Register lists 9,826 items of office machinery and equipment. The outcome of the review of the capitalisation threshold will determine how many of these assets appear on the balance sheet.

Type of equipment	Number
Desk top photocopiers	71
Fax machines	466
Shredders	69
Answerphones	1055
Other equipment including audio visual and training equipment, telephones and dictaphones	8165

Note: All major reprographics equipment used by the Department is held on an operating leasehold basis.

(iii) Telecommunications Equipment

Ownership of the majority of the telecommunications equipment previously owned by the Department has been transferred to external contractors. The two DTI headquarters exchanges and associated equipment are owned and maintained by the contractor.

Telecommunications equipment currently owned and maintained by the Department is as follows:

- 6 PC based call logging systems located in the 4 main DTI HQ buildings in central London, Stanegate House in Newcastle and Queensway House, Billingham
- 2 PABX Telephone Switches located in Exchange House, Watford and the Eastcote site

(iv) Computer Equipment

(a) Mainframe computers

The DTI has a support contract for the provision of general mainframe computer services. The mainframe computer used by DTI is owned by the contractor, but ownership of all associated network equipment and local terminals currently resides with DTI - but see (b) below. The mainframe computer is used to run the larger departmental information systems, i.e. the financial accounting, budgeting and reporting system, the personnel records management

system, the accommodation information system, an integrated system for controlling financial assistance schemes and economics, statistics, central, reprographic and typing databases.

(b) Departmental network

DTI currently owns and maintains a department-wide applications, database and E-mail network known as Osprey. The system has 40 servers, 4,400 PCs and 1,980 printers. The network hardware is owned by the DTI. Osprey is currently the subject of a contracting out test, and in October 1998 ownership and maintenance of the network is likely to be transferred to an external contractor under a Public Finance Initiative arrangement.

(c) General mid-range and PC systems

The Department operates a number of smaller computer networks, where it owns all associated equipment and software licences. In this category, the departmental asset register currently lists 5,000 PCs, 3,000 printers and 4,000 software licences. The Department also owns 1,200 portable PCs.

Significant networks currently in use within DTI include various casework tracking systems, a specialist geoscience data storage and processing system, contacts databases and various networks linking DTI to outside organisations for data collection and analysis. In addition, there are a number of smaller computer systems in operation within the Department, generally operated on a stand alone PC.

(v) Furniture, Fixtures and Fittings

(a) The DTI owns and controls all assets falling within this category in buildings occupied by DTI staff. These assets are represented as a pooled resource in the Department's accounting records, and individual items are not recorded separately. They include all office furniture, blinds and carpets.

(b) The Core Store in Edinburgh contains a large amount of specialist racking to store the geological rock samples held there.

(vi) Scientific Equipment

(a) Equipment owned by the Department and currently in use at the National Physical Laboratory:

Type	Number
Scientific computers	232
Strategic assets ¹	4
Administrative assets	17
Scientific assets ²	2094

¹These are large items of scientific equipment essential to the research carried out at NPL.

²These assets represent a wide range of scientific equipment in use at NPL.

(b) Other scientific equipment owned by the DTI:

- Gradient Thermal Cyclor used by the Laboratory of the Government Chemist
- 93 items of scientific equipment used by the National Engineering Laboratory
- Equipment held by the Defence Evaluation and Research Agency on behalf of the British National Space Centre

(vii) Heritage Assets

(a) The following heritage assets owned by DTI are located at the National Physical Laboratory:

- Newton's Apple Tree
- UK primary standard weights and measures
- NPL museum and archives

Grade II listed buildings not used for commercial purposes situated at the National Physical Laboratory site in Teddington:

- The Queens Cottage
- Teddington Hall
- Bushey Nook

Grade II listed buildings used for commercial purposes by the National Physical Laboratory in Teddington:

Building	Use
Bushy House, the Conservatory and Garden Temple	Houses mainly laboratory and office accommodation together with conference and meeting rooms and the museums. Part is also reserved for residential accommodation
The Clock House	Used as a store for historical records
North Lodge	Used as a reception area for visitors and as office accommodation
Cannon Gates and Lodges	Office and storage use

(b) At the Core Store in Gilmerton Road, Edinburgh, the Department owns and maintains as a national archive a scientific repository of geological rock samples resulting from North Sea oil exploration.

(viii) Intangible Assets

Note: To the extent that any income arising under this heading is not authorised to be used to meet expenditure, the Treasury requires that these receipts are surrendered to the government's Consolidated Fund.

Ownership of petroleum reserves in the United Kingdom Continental Shelf is vested in the Crown. The Government, through DTI, licenses companies to search for and exploit these resources, and royalties are payable to DTI on all licences issued before 31 March 1982. Total annual income from royalties paid on pre March 1982 licenses is approximately £700 million.

(ix) Long Term Debtors

(a) DTI Loans outstanding

Description	Amount outstanding at 31 March 1997
Industrial Expansion Act Loans	£9,664,400
Regional Assistance	£3,005,500
Loans to DTI Trading Funds	£7,339,300

(b) Public Dividend Capital

Description	Amount outstanding at 31 March 1997
British Shipbuilders	£1,598,339,000
Companies House - Trading Fund	£15,889,000
Patent Office - Trading Fund	£6,325,000

(c) Launch Aid

Launch Aid is a repayable risk-sharing Government investment in specific projects for the design and development of civil aircraft, helicopters and aeroengines in the UK. Government aims to recoup the cost of the initial investment at a real rate of return, normally recovered via an agreed levy on future sales of the product involved. In allocating aid Government also takes the risk that the company will not achieve sales at the level or price forecast and therefore the launch aid will not be repaid as agreed.

Launch Aid projects currently in operation:

Project	Launch Aid (£ million)	Levies received so far (£ million)
A320 family	249.3	250.2
A330/340 aircraft	447.1	0.0
RB211-535 aeroengine	261.8	113.9
RB211-524 aeroengine	177.6	102.4
V2500 aeroengine	60.0	13.2
EH101 Helicopter	60.0	0.0
Lear 45 executive jet	16.4	Not yet due

(d) Coal Privatisation Proceeds

Deferred proceeds of approximately £14 million (plus interest) from the sale of British Coal's mining activities are expected in instalments up to 31 March 2000.

(e) Pension Funds

- In return for guaranteeing the funding of index-linked pensions, the government receives 50% of any surpluses declared by the Government Actuary in respect of the Mineworkers' Pensions Scheme and the British Coal Staff Superannuation Scheme. Disbursement of the surplus is annuitised over a 10 year period from the year following the declaration of the surplus. The estimated sums receivable over the next 8-9 year period are £316m and £1030m respectively.
- Within each pension scheme there is a deposit called the Investment Reserve which is drawn down first to meet any pension fund deficiency before any call on the guarantee. The Investment Reserves in the Mineworkers Pension Scheme and the British Coal Staff Superannuation Scheme are shown in the latest accounts as £601m and £892m respectively; they are due to be disbursed to the Government over the next 25 years, with disbursement weighted to the second half of the period.

(x) Shareholdings

Description of Holding	Financial year 1996-97	
	Number of value shares	Nominal at 31 March 1997
<u>AEA Technology plc</u> £1 Special Rights Preference Share	1	£1.00
<u>British Aerospace plc</u> £1 Special Rights Preference Share	1	£1.00
<u>British Energy plc</u> £1 Special Shares	1	£1.00
£1 Ordinary Shares	5,028,616	£5,028,616.00
<u>British Nuclear Fuels plc</u> £1 Ordinary Shares	32,668,243	£32,668,243.00
<u>British Telecommunications plc</u> £1 Special Rights Redeemable Preference Share	1	£1.00
<u>Cable and Wireless</u> £1 Special Rights Redeemable Preference Share	1	£1.00
<u>Cambridge Antibody Technology</u> Nominal Value Shares*	1,250,000	£0.00
<u>Hiver Ltd</u> Nominal Value Shares	145,812	£1.00

Description of Holding (cont)	Financial year 1996-97	
	Number of value shares	Nominal at 31 March 1997
<u>Magnox Electric</u>		
£1 Ordinary Share	1	£1.00
£1 Ordinary Shares (quarter paid up)	49,998	£12,499.50
<u>National Grid Group plc</u>		
£1 Special Rights Redeemable Preference Share	1	£1.00
<u>National Power plc</u>		
£1 Special Rights Redeemable Preference Share	1	£1.00
<u>Nuclear Electric plc</u>		
£1 Ordinary Share	1	£1.00
<u>PowerGen plc</u>		
£1 Special Rights Redeemable Preference Share	1	£1.00
<u>Prolifix</u>		
Nominal Value Shares	200,000	£0.00
<u>Rolls Royce Ltd</u>		
£1 Special Share	1	£1.00
<u>Somatogen</u>		
Nominal value shares	50,000	£210,851
<u>Therxsys</u>		
Nominal value shares	659,028	£0.00
<u>United Kingdom Accreditation Service</u>		
£1 Ordinary Share	1	£1.00
<u>United Kingdom Nirex Ltd</u>		
£1 Special Share	1	£1.00

* Under a standard "lock-up" agreement with the company, these shares cannot be traded for 6 months until September 1997, and therefore no valuation is given

(II) Agencies

NATIONAL WEIGHTS AND MEASURES LABORATORY

Introduction

The National Weights and Measures Laboratory (NWML) regulates the equipment used for trade weighing and measurement and represents the UK in international discussions of the technical requirements for measuring instruments. As well as preparing the necessary legislation, NWML approves new measuring instruments, and designs and recalibrates the standards held by local authority Trading Standards Departments. It also provides equipment testing and calibration services to a wide range of customers from its laboratories in Teddington.

NWML uses its asset register for inventory purposes, in order to maintain an up to date record of the physical location and continued use of assets. Responsibility for individual asset records is devolved to the unit to which the asset's depreciation cost is charged, thereby encouraging more efficient use of resources.

Accounting policies

1. The capitalisation threshold used by NWML is £1,000. In-house developments are not capitalised.
2. The cost or valuation of tangible fixed assets is written off on a straight line basis to the residual value, over the asset's expected useful economic life.
3. NWML uses the modified historic cost accounting method for asset valuation and depreciation.
4. The stock of furniture and fittings valued at depreciated current value is treated as a permanent asset pool and replacement expenditure is charged to the income and expenditure account in the year of purchase.

Fixed assets

Description	Number
<u>Plant & Machinery</u>	
Balances	
- with a gross replacement cost in excess of £10,000	9
- other Electronic Balances	30
Weights	
- with a gross replacement cost in excess of £10,000	4
- other sets of weights	42
Measures	
- with a gross replacement cost in excess of £10,000	6
- other volume measures	5
Technical Equipment	
- items with a gross replacement cost in excess of £10,000	12
- other items of technical equipment	77
Other Equipment	
- items with a gross replacement cost in excess of £10,000	7
- other items of equipment	14
<u>Computers and Office Equipment</u>	
- PCs	75
- SUN Sparkstation	1
- Computer accessories	7
- Software packages	6
- Printers	10
- Video recorders	2
<u>Motor vehicles</u>	
- Forklift Truck	1
- Bedford Lorry	1
- Box Trailer	1

THE INSOLVENCY SERVICE

Introduction

The Insolvency Service and the legislation under which it operates support the Department of Trade and Industry's objective of maintaining confidence in markets through providing the means of dealing with individual and corporate financial failure and tackling fraud and wrongdoing in insolvencies

The Insolvency Service operates principally in England and Wales under the Insolvency Act 1986, the Company Directors Disqualification Act 1986 and the Companies Act 1985.

Accounting policies

1. The accounts are prepared under the historic cost convention, modified to include the revaluation of fixed assets.
2. Tangible fixed assets are revalued each year to take account of specific price change. The capitalisation threshold for tangible fixed assets is £2,000.
3. The Insolvency Service does not include in its Balance Sheet capital values for the freehold and long leasehold properties, or related land which it occupies. The Income and Expenditure accounts are instead charged a rental based on the equivalent market rent.

Fixed Assets

(i) Land and Buildings

The Insolvency Service owns three freehold properties. The remainder of its office accommodation is occupied on a rental basis. The freehold properties are:

Official Receivers Office Dee Hills Park, Chester	812.9m ² of office accommodation, of which 588.5m ² is occupied by the Insolvency Service, 186.60m ² by Ordnance Survey and 37.80m ² by Driving Standards Agency
Official Receivers Office, Gordon House, 15 Star Hill, Rochester	738.49m ² of office accommodation, of which 483m ² is occupied by the Insolvency Service, 197.90m ² by DSS and 57.59m ² by Dept. Health
Official Receivers Office Western Range 83-85 London Road Service	907.9m ² of office accommodation, of which 704m ² is occupied by the Insolvency Service and 203.90m ² by the Independent Tribunal Southampton

(ii)

Description	
<u>Computer equipment:</u>	
- Computers	1928
- Printers	289
- Computer peripherals	48
- Laptop computers	22
<u>Office machinery:</u>	
- Photocopiers	10
- Microfiche reader/printers	14
- Franking machines	7
- Folding and inserting machine	3
- Bursters	3
- Shredders	8
- Fax machines	2
<u>Plant and machinery:</u>	
- Telephone exchanges	28
- Public address system	1
Capitalised development costs of computer systems:	3 systems

RADIOCOMMUNICATIONS AGENCY

Introduction

The Radiocommunications Agency was established as an Executive Agency of the Department of Trade and Industry in April 1990. The Agency is responsible for most civil radio matters in the UK. In addition to licensing, monitoring and enforcement duties under the Wireless Telegraphy Act 1949, it also plays a leading role in international negotiations on radio matters.

Accounting policies

1. The accounts are prepared under the historical cost convention modified to include the revaluation of fixed assets to their value to the business by reference to current costs.
2. The threshold above which items are recorded as fixed assets is reviewed each year for all categories of asset.
3. The cost of time spent in constructing assets (including computer systems) is capitalised only where a clearly defined asset is created which will generate quantifiable income or cost savings over its anticipated useful life.

4. All assets, except for assets under construction, computer equipment and buildings, are revalued monthly by reference to a series of indices published by the Central Statistical Office. Computer equipment which is not revalued by reference to an index is recorded at a valuation reflecting its current replacement cost. Assets under construction are recorded at cost.
5. Research and development expenditure is written off as incurred.

Fixed Assets

(i) Land and Buildings

The Radiocommunications Agency owns and occupies the following freehold sites:

- Open area test site, Whyteleafe - 30 foot radius half cylinder fabric hut on concrete base in grounds at Whyteleafe
- Building at Whyteleafe Hill, Kenley, Surrey - 1530m² of laboratory and office space occupied by RA's local Radio Investigation Service office and Radio Technology & Compatability Group

(ii)

Description	Number
<u>Plant & machinery</u>	
- Communication test sets	96
- Unattended monitoring stations	4
- Mobile direction finders	13
- Spectrum analysers, test receivers and other scientific equipment	598
<u>Motor vehicles</u>	
- Diesel cars	103
- Land Rovers and other surveillance vehicles	20
- Boats	6
<u>Computer equipment</u>	
- Network servers	48
- ISDN servers	17
- Disc and tape drivers, other servers etc	75
- Laser printers	21
- Mini computers	59
- Disk drives	2
- Other printers	8

Description	Number
- PCs	90
- Portable computers	126
- Software items	83
<u>Furniture and office equipment</u>	
- Furniture at HQ as a capitalised item	1
- Office machinery	13
- Other equipment	20
<u>Satellite monitoring equipment</u>	
- Antenna systems, Baldock Radio Station	2
- Direction finding antenna array Baldock RS	1
- Synthesisers	6
- Spectrum Analysers	3
- Other satellite equipment	14
<u>Assets under construction</u>	
- Unattended monitoring stations	7
- SECOM IT project consultancy costs	1
- Migtech IT project consultancy costs	1
- Frequency sharing computer program	1
- RULES/PMR technical assignment software	1
- Automatic search & indexing tool	1
- Computer contingency room, Whyteleafe	1
- Oscillators (satellite equipment)	1

EMPLOYMENT TRIBUNALS SERVICE

Introduction

The Employment Tribunals Service became an Executive Agency of the Department of Trade and Industry on 1 April 1997. The Service provides administrative support to the industrial tribunals, which are independent judicial bodies, and their appellate body, the Employment Appeal Tribunal. The staff of the Service support the work of the tribunals by:

- dealing with all paperwork and correspondence relating to tribunal cases;
- making practical arrangements for all tribunal hearings;
- supporting the tribunal during hearings;

- providing information on tribunal procedures to the public;
- maintaining the national decisions archive and public register of applications.

Industrial tribunal hearings take place at 29 centres across Great Britain and also from time to time in other temporarily hired premises. The Employment Appeal tribunal sits in London and Edinburgh.

Accounting policies

As the Employment Tribunals Service has only been an agency since 1 April 1997, it has no past accounts and the asset register and accounting policies are still being developed.

Fixed Assets

(a) Land and Buildings

(i) Freehold

The Service owns one freehold property at 52-56 Melville St, Edinburgh. This is an older style tribunal building of 918m², used as an Employment Appeal Tribunal Court and Industrial Tribunal for the Edinburgh District.

(ii) Historic Leasehold

The service owns two properties on a historic leasehold basis:

- Audit House, 58 Victoria Embankment, London EC4. The historic lease expires in 1999, but negotiations are in place to convert the holding to a modern leasehold basis in the near future. This is older style office and tribunal accommodation of 3,364m².
- 14, East Parade, York Street, Sheffield. The building is owned by the Service, but the land is occupied on a leasehold basis, expiring in 2709. This is an older style industrial tribunal building of 700m².

All other properties occupied by the Service are maintained on a rental basis.

(b) Computers

The Service owns two networked PC systems covering the industrial tribunals, including the agency headquarters, which has approximately 650 users, and the Employment Appeal tribunal with 40 users. These systems support the case handling systems in the industrial tribunals and provide e-mail and other office automation facilities across the agency

(c) Furniture and Office machinery

The Service also owns some furniture and small items of office machinery.

Copies of the 1996/7 Annual Report and Accounts for all of DTI's Executive Agencies (excluding the newly formed Employment Tribunals Service) can be obtained from The Stationery Office Ltd, The Publications Centre, PO Box 276, London SW8 5DT.

(III) Trading Funds

Companies House

Introduction

Companies House is a trading fund executive agency. By the provisions of the Companies Acts, the agency is responsible for the custody of statutory returns and documents required to be rendered by companies, and for making this information available for public inspection. Companies House is also responsible for returns under the Newspaper Libel and Registration Act 1981, the Limited Partnership Act 1907, the Protection of Depositors Act 1963 and for the custody of miscellaneous other statutory records and general enquiries and complaints under the Companies Acts.

Accounting policies

1. The accounts are prepared under the historic cost convention, as modified by the Accounts Direction to include the revaluation of tangible fixed assets.
2. The capitalisation threshold for fixed assets is £500.
3. Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write of the cost or valuation of each asset to its residual value evenly over its expected useful life.
4. Research and development expenditure is written off as incurred, except development expenditure on individual projects which is carried forward where there is a reasonable assurance that future recoverability can be foreseen. Such expenditure is amortised over the period of additional income generated by the project, but limited to a maximum of 10 years.

Fixed Assets

(i) Land and Buildings

The land and building at the Companies House site at Crown Way, Maindy, Cardiff is owned on a freehold basis. The site comprises 28,000m² of modern office accommodation and a multi-storey car park.

(ii)

Description	Number
<u>Office Machinery & Equipment</u>	
- photocopiers, fax machines and telephones	1513
- industrial cameras	15
- carousels	62
- microfiche readers/printers	75
<u>Plant & Equipment</u>	
- Heating systems	2
<u>Motor vehicles</u>	
- Van	1
<u>Computer Equipment</u>	
- personal computers	823
- printers	348
- items of communication equipment	70
- scanners	2

The Patent Office

Introduction

The role of the Patent Office is to help stimulate innovation and international competitiveness of British industry through intellectual property rights. This involves the processing and granting of patent, design and trademark rights as well as responsibility for policy on these areas and copyright.

The asset register is part of a larger system which identifies all IT and other equipment held by the Office irrespective of the capital threshold. This is regularly reviewed on a rolling basis to ensure that the information is correct and that assets are used effectively and redundant equipment identified.

Accounting policies

1. The accounts are prepared in accordance with the historic cost convention modified to include revaluation of certain assets, in a form determined by HM Treasury in accordance with the Government Trading Funds Act 1973.
2. The Office capitalises those items which are separately identifiable assets with an estimated useful life of five years or more and a cost in excess of £3,000.
3. Land and buildings are valued on the basis of open market value for existing use. Fixed assets acquired before April 1996 have been valued at net current replacement cost using

appropriate indexation, or, if lower, the recoverable amount. Assets acquired on or after 1 April 1996 are capitalised at cost of acquisition and installation. Computer software development costs are written off as incurred.

4. Depreciation is provided on tangible fixed assets, except freehold land, at rates calculated to write-off the cost or valuation of each asset on a straight line basis over its expected useful life. A full year's depreciation charge is made in the year of acquisition.

Fixed assets

(i) Land and Buildings

The Patent Office owns Concept House, Newport, South Wales on a freehold basis. The site, including office building, car parking area and access covers approximately 2.85 hectares. The building has a net internal area of approximately 14,000m², used as office accommodation and storage space.

(ii)

Description	Number
<u>Plant & Machinery</u>	
- File pickers (small battery operated fork lift trucks)	2
<u>Computer Equipment</u>	
- Networked PCs (linking to mainframe system)	776
- Unix System	
<u>Office Equipment</u>	
- video conferencing units	2
- CCTV system	1
- items of printing/reprographic equipment	27
- items of mailing equipment	3
- telephone switches	3

Copies of the 1996/7 Annual Report and Accounts for both DTI's Trading Funds can be obtained from The Stationery Office Ltd, The Publications Centre, PO Box 276, London SW8 5DT.

INFORMATION ON EXECUTIVE NON DEPARTMENTAL PUBLIC BODIES (NDPBs)

These bodies are required to prepare their accounts on a modified historic cost basis.

The Design Council

The Design Council is the national authority on design matters and its role is to advise and influence business and others on the importance of design in terms of the UK's international competitiveness. The Design Council was created in 1944 as the Council for Industrial Design and was established by statute with a Royal Charter.

Net Fixed Assets as at 31 March 1997:

£'000	
Furniture, fixtures and fittings	404
<u>Total net fixed assets</u>	<u>404</u>

A copy of the full annual report and accounts can be obtained from: The Design Council, Haymarket House, 1 Oxendon St, London SW1Y 4EE.

Monopolies and Mergers Commission

The Monopolies and Mergers Commission (MMC) is established by the Fair Trading Act 1973 to investigate and report on referred matters relating to mergers, monopolies and anti-competitive practices, the regulation of utilities and the performance of public sector bodies. It has no powers to initiate its own investigations. Referrals are made to the MMC by the Secretary of State for Trade and Industry, the Director of General of Fair Trading, the regulators of privatised industries and the Independent Television Commission.

Net Fixed Assets as at 31 March 1997:

£'000	
Computer Equipment	113
Other Office Equipment	3
Fixtures and Furniture	53
<u>Total net fixed assets</u>	<u>169</u>

Note: Where the net disposal value of any MMC capital asset exceeds £1,500, disposal proceeds are surrendered to DTI

A copy of the full annual report and accounts can be obtained from: The Monopolies and Mergers Commission, New Court, 48 Carey St, London WC2A 2JT

Advisory, Conciliation and Arbitration Service (ACAS)

The Advisory, Conciliation and Arbitration Service is an independent organisation under the management of a council appointed by the President of the Board of Trade. The ACAS mission is to improve the performance and effectiveness of organisations by providing an independent and impartial service to prevent and resolve disputes and to promote harmonious relationships at work.

Net Fixed Assets as at 31 March 1997:

£'000	
Computer equipment	130
<u>Total net fixed assets</u>	<u>130</u>

A copy of the full annual report and accounts can be obtained from: The Advisory, Conciliation and Arbitration Service Head Office, Resources Directorate, 180 Borough High St, London SE1 1LW

United Kingdom Atomic Energy Authority (UKAEA)

UKAEA's primary function is to manage the waste arising from its earlier nuclear operations and to safely decommission its reactors and other nuclear research and development facilities in an environmentally acceptable way. The UKAEA also implements the UK's contribution to the European nuclear Fusion Research programme, and is responsible for the UKAEA Constabulary which polices both its own sites and those occupied by BNFL.

Net Fixed Assets as at 31 March 1997:

£'000	
Land and buildings	27,300
Investment properties	49,600
Plant and equipment	8,100
<u>Total net fixed assets</u>	<u>85,000</u>

A copy of the full annual report and accounts can be obtained from: The United Kingdom Atomic Energy Authority, B.521 Harwell, Oxfordshire OX11 0RA

National Consumer Council (NCC)

The National Consumer Council is a non-statutory body established to promote the interests of consumers of goods and services.

Net Fixed Assets as at 31 March 1997:

£'000

Office machinery and computer equipment	112.6
Furniture, fixtures and fittings	5.1
<u>Total net fixed assets</u>	<u>117.7</u>

A copy of the full annual report and accounts can be obtained from: The National Consumer Council, 20 Grosvenor Gardens, London SW1W 0DH.

Gas Consumer Council (GCC)

The Gas Consumer Council is a statutory body set up under the 1986 Gas Act to represent the interests of gas consumers.

Net Fixed Assets as at 31 March 1997:

£'000

Computer equipment	403.1
<u>Total net fixed assets</u>	<u>403.1</u>

A copy of the full annual report and accounts can be obtained from: The Gas Consumer Council, 6th Floor, Abford House, 15 Wilton Rd, London SW1V 1LT.

THE RESEARCH COUNCILS

1. BIOTECHNOLOGY AND BIOLOGICAL SCIENCES RESEARCH COUNCIL

The purpose of the Council is to:

- promote and support, by any means, high quality basic strategic and applied research and related post-graduate training relating to the understanding and exploitation of biological systems;
- advance knowledge and technology and provide trained scientists and engineers, which meet the needs of users and beneficiaries (including the agriculture, bioprocessing, chemical, food, health care, pharmaceutical and other biotechnological-related industries), thereby contributing to the economic competitiveness of the United Kingdom and the quality of life;
- provide advice, disseminate knowledge and promote public understanding in the fields of biotechnology and biological sciences.

Net Fixed Assets as at 31 March 1996:

	£'000
Land & buildings	108,120
Plant & Machinery	11
Equipment, Fixtures & Fittings	1,118
Assets under construction	<u>6,896</u>
Total net fixed assets	116,145

2. COUNCIL FOR THE CENTRAL LABORATORY OF THE RESEARCH COUNCILS

The purpose of the Council is to provide:

- high quality scientific and engineering research and technical expertise in support of basic, strategic and applied research;
- support for the advancement of knowledge and technology, meeting the needs of Research Councils, other customers and their user communities;
- advice, dissemination of knowledge and promotion of public understanding in the fields of science, engineering and technology engaged in by the Council.

*Net Fixed Assets as at 31 March 1997:

	£'000
Freehold land & buildings	65,026
Plant & Equipment	153,065
Assets under construction	<u>1,499</u>
Total net fixed assets	219,590

* figures taken from the latest unaudited accounts. Only cash accounts were produced for 1995/96.

3. ENGINEERING AND PHYSICAL SCIENCES RESEARCH COUNCIL

The purpose of the Council is to:

- promote and support, by any means, high quality basic, strategic and applied research and related post-graduate training in engineering and the physical sciences;
- advance knowledge and technology, and provide trained scientists and engineers, which meet the needs of users and beneficiaries (including the chemical, communications, construction, electrical, electronic, engineering, information technology, pharmaceutical, process and other industries), thereby contributing to the economic competitiveness of the United Kingdom and the quality of life;
- provide advice, disseminate knowledge and promote public understanding in the fields of engineering and the physical sciences.

Net Fixed Assets as at 31 March 1996:

	£'000
Land & buildings	4,093
Plant & Machinery	<u>4,406</u>
Total net fixed assets	8,499

4. ECONOMIC AND SOCIAL RESEARCH COUNCIL

The purpose of the Council is to:

- promote and support, by any means, high quality basic, strategic and applied research and related post-graduate training in the social sciences;
- advance knowledge and technology, and provide trained social scientists which meet the needs of users and beneficiaries, thereby contributing to the economic competitiveness of the United Kingdom and the quality of life;
- provide advice, disseminate knowledge and promote public understanding of the social sciences.

Net Fixed Assets as at 31 March 1996:

	£'000
Freehold land & buildings	2,226
Computing and office equipment	<u>145</u>
Total net fixed assets	2,371

5. MEDICAL RESEARCH COUNCIL

The purpose of the Council is to:

- promote and support, by any means, high quality basic, strategic and applied research and related post-graduate training in the biomedical and other sciences, with the aim of maintaining and improving human health;
- advance knowledge and technology, and provide trained researchers and engineers, which meet the needs of users and beneficiaries (including the providers of health care, and the biotechnology, food, health care, medical instrumentation, pharmaceutical and other biomedical-related industries), thereby contributing to the maintenance and improvement of human health, the economic competitiveness of the United Kingdom and the quality of life;
- provide advice, disseminate knowledge and promote public understanding of research in the biomedical sciences.

Net Fixed Assets as at 31 March 1996:

	£'000
Land & buildings	65,005
Capitalised Rents	105
Equipment and vehicles	29,724
Assets under construction	<u>4,752</u>
Total net fixed assets	99,586

6. NATURAL ENVIRONMENT RESEARCH COUNCIL

The purpose of the Council is to:

- promote and support, by any means, high quality basic, strategic and applied research, survey, long term environmental monitoring and related post-graduate training in terrestrial, marine and freshwater biology and Earth, atmospheric, hydrological, oceanographic and polar sciences and Earth observation; improving human health;
- advance knowledge and technology, and provide trained scientists and engineers, which meet the needs of users and beneficiaries (including the agricultural, construction, fishing, forestry, hydrocarbons, minerals, process, remote sensing, water and other industries), thereby contributing to the economic competitiveness of the United Kingdom, the effectiveness of public services, and the quality of life;
- provide advice on, and disseminate knowledge and promote public understanding of these fields of activity.

Net Fixed Assets as at 31 March 1996:

	£'000
Land & buildings	103,781
Plant & equipment	21,233
Ships and aircraft	94,130
Motor vehicles	<u>1,307</u>
Total net fixed assets	220,451

7. PARTICLE PHYSICS AND ASTRONOMY RESEARCH COUNCIL

The purpose of the Council is to:

- promote and support, by any means, high quality basic, strategic and applied research and related post-graduate training in astronomy, planetary science and particle physics;
- advance knowledge and technology, and provide trained researchers and engineers, which have potential to contribute to the economic competitiveness of the United Kingdom and the quality of life, through meeting the needs of users and beneficiaries (including the communications, electronic and other industries);
- provide advice on, and disseminate knowledge and promote public understanding of astronomy, planetary science and particle physics.

Net Fixed Assets as at 31 March 1996:

	£'000
Land & buildings	43,509
Plant & Machinery	19,453
Assets under construction	<u>13,035</u>
Total net fixed assets	75,997

Note: The councils currently have the following delegated limits on the disposal of assets:

Gifts of obsolete stores and equipment to educational establishments	£2,000
Gifts of equipment purchased from research grants, ownership of which remained vested in the Research Council	£10,000
Disposal of obsolete equipment	£25,000
Disposal of land and buildings	£5,000,000 (in any one transaction)

Copies of the full annual reports and accounts for the Research Councils can be obtained from: The Stationery Office Bookshops, 49 High Holborn, London WC1V 6HB.

Executive NDPBs excluded on the grounds of immateriality (i.e. net fixed assets of less than £100k):

- British Hallmarking Council
- Policyholders Protection Board
- British Shipbuilders
- Commissioner for Rights of Trade Union Members
- Commissioner for Protection against Unlawful Industrial Action
- Post Office Users Councils
- Coal Authority

PUBLIC CORPORATIONS

Magnox Electric plc

Magnox Electric plc is an electricity generator which owns nine magnox-type nuclear power stations in Great Britain. It operates six stations which supply up to 7% of the electricity market in England and Wales, and is decommissioning the other three stations. It also owns and operates a small hydro-electric station in Wales.

Net Fixed Assets as at 31 March 1997:

£m

Tangible fixed assets:

Nuclear Power stations	127
Other land and buildings	43
Other plant and equipment	<u>37</u>
	<u>207</u>

Fixed asset investments:

Gilts	511
Investments in subsidiary undertakings	241
Loans to subsidiary undertakings	<u>17</u>
	<u>769</u>
Total net fixed assets	<u>976</u>

A copy of the full annual report and accounts can be obtained from: The Company Secretary, Magnox Electric plc, Berkeley Centre, Berkeley, Gloucestershire GL13 9PB.

British Nuclear Fuels plc

British Nuclear Fuels plc (BNFL) is a Government owned public limited company. BNFL provide a range of nuclear fuel cycle services to the UK and international markets, including enrichment (through its associated company, Urenco Ltd), uranium hexafluoride production, fuel manufacture, reprocessing, waste management and decommissioning. BNFL also provides world-wide nuclear fuel transport services via its subsidiary company, Pacific Nuclear Transport Limited.

 Net Fixed Assets as at 31 March 1997:

£m

 Tangible fixed assets:

Long Leasehold land & buildings	7
Freehold land and buildings	2171
Plant and machinery	1263
Fixtures, fittings, tools & equipment	27
Assets in course of construction	<u>968</u>
	<u>4436</u>

 Fixed asset investments:

Nuclear Liabilities Investment portfolio	640
Associated undertakings	195
Other investments	<u>9</u>
	844

Total net fixed assets	5280
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A copy of the full annual report and accounts can be obtained from: British Nuclear Fuels plc, Risley, Warrington, Cheshire WA3 6AS.

The Post Office

The Post Office was established as a statutory corporation in 1969. It operates a wide range of postal services and runs a nation-wide network of post offices.

 Net Fixed Assets as at 31 March 1997:

£m

Freehold land and buildings	1083
Long lease land and buildings	114
Short lease land and buildings	162
Plant & machinery	286
Motor vehicles	389
Fixture & fittings	<u>154</u>
Total net fixed assets	2188

A copy of the full annual report and accounts can be obtained from: Communication Services, The Post Office, 5th Floor, 130 Old St, London EC1V 9PQ

British Coal

The British Coal Corporation is a nationalised industry, most of whose assets and liabilities have been disposed of. The Coal Industry Act 1994 established the basis on which the Corporation would manage remaining activities and assets following privatisation. Their four main objectives now are to:

- dispose of their remaining businesses effectively and in line with their statutory duties;
- dispose of their other remaining assets, principally their non-operational property assets, in line with their statutory duties;
- manage commitments to complete projects initiated prior to privatisation including research and development projects
- address actual and potential liabilities, testing extent of liabilities through legal proceedings and liaising with DTI on long term management of these liabilities. It is anticipated that most liabilities will transfer to DTI by the end of 1997-98

Most of these objectives have been discharged in the course of 1997, and the existing management will step down in December 1997.

Net Fixed Assets as at 29 March 1997:

£m

Freehold land	11
Freehold buildings	5
Plant, machinery and equipment	2
Investments (net book amount)	<u>1</u>
Total net fixed assets	19

Most of these assets will have been sold or transferred out of British Coal by the end of December 1997.

Until 31 December 1997 the report and accounts is available from British Coal Corporation, Corporate Affairs Department, Eastwood Hall, Eastwood, Nottingham NG16 3EB. After that date it will be available from Department of Trade & Industry, Coal Directorate, 1 Victoria St, London SW1H 0ET.

OFFICE OF FAIR TRADING

Introduction

The OFT is a small (some 420 staff), non-Ministerial government department defined by statute and headed by the Director General of Fair Trading. Its primary purpose is as a regulator which advances and safeguards the economic interests of UK consumers by the promotion of effective competition, the removal of trading malpractice and the publication of appropriate guidance. Its powers and independence are taken from its various statutory obligations. The OFT's operations are based on three sites in London. They are:

The OFT's contribution to the National Asset Register is provided from its asset inventory. A valued fixed asset register is being developed as part of the Office's Resource Accountancy and Budgetary (RAB) strategy development. These documents provide the Accounting Officer (the Director General) with a concise statement of the OFT's fixed assets and allow monitoring and control such that their use is maximised.

Fixed Asset Capitalisation Policy

Being a single department, the accounting policies to be adopted under RAB for fixed assets will be consistent across all of its three sites. All three of the buildings used by the OFT are leased. None of them contain any heritage assets. Nor does the department have any investments, intellectual property rights, plant or machinery or vehicles. The only fixed assets the OFT has therefore are its stock of furniture and its IT assets. Of these, it has been decided that only the IT assets shall be regarded as fixed assets for the purposes of capitalisation and consequently the balance sheet. Furniture, because of generally low individual values and turnover, shall be written off in the year of purchase.

Departmental Asset Register

IT Infrastructure

OFT has the following IT assets:

- a network of 423 PCs, with associated servers, printers and operating software
- a mid-range DEC VAX IT system used for consumer credit licensing

A copy of the full annual report and accounts can be obtained from Stationery Office Ltd, The Publications Centre, P O Box 276, London, SW8 5DT.

OFFICE OF TELECOMMUNICATIONS

Introduction

The function of the Director General of the Office of Telecommunications is to promote the interests of consumers and promote competition in the telecommunications market.

As part of the response to the Resource Accounting and Budgeting initiative, OFTEL is in the process of developing an asset register which is due for completion by March 1998. The details provided below have been obtained from the department's existing records.

Accounting policies

OFTEL's accounting policies for the new asset register include the following;

- for an asset to be in the asset register, its value must be in excess of £750. The threshold may, from time to time, be adjusted to ensure that it is set at a practical level for OFTEL, providing a fair view of assets employed. Assets will be stated at their current cost using appropriate indices.
- Individual assets falling below the threshold level may also be grouped together to avoid materially understating assets.
- For depreciation, the straight line method is used within OFTEL. In the year in which an asset is acquired, a proportion of a full year's depreciation will be charged unless the difference between the proportional charge and the full year's charge is not material. For equipment and computers the lives are normally in the range 3 to 20 years.

Departmental Asset Register

Land and Buildings	No land and buildings are owned by OFTEL
Computer equipment	OFTEL operate a Novell v4.11 network with associated peripherals for 170 network users. the software is Windows 95, WordPerfect suite v7 and GroupWise v5.1.
Office and Telephone equipment	7 general office photocopiers and one pool photocopier - GPT ISDX telephone system - one Chubb safe and two fire safes
Furniture and Fittings	-There are sufficient desks, tables, chairs, bookcases and cabinets to allow the 170 staff to work in normal office conditions. There is also some furniture in conference and training rooms.

A copy of the full annual report and accounts can be obtained from OFTEL Library, OFTEL, 50 Ludgate Hill, London, EC4 M7JJ.

OFFICE OF GAS SUPPLY

Introduction

The function of the Director General of the Office of Gas Supply (OFGAS) is to promote competition in the gas supply industry and protect the interests of consumers.

As part of its response to the resource accounting and budgeting initiative, OFGAS is in the process of developing an asset register which is due for completion by March 1998. The details below have been obtained from existing records.

Accounting Policies

OFGAS's accounting policies may, from time to time, be adjusted to ensure that they continue to represent a practical approach for OFGAS, providing a fair view of assets employed. The accounting policies for the new asset register will include the following:

- The capitalisation threshold will be £1000. Assets will be stated at their current cost using appropriate indices.
- Individual assets falling below the threshold may be grouped together for inclusion on the asset register to avoid materially understating the department's assets.
- Depreciation is provided at rates calculated to write off the value of buildings and tangible fixed assets by equal instalments over their estimated useful lives.

Departmental Asset Register

Land and Buildings Tigers Road
 Glen Parva
 Wigston Leicestershire LE18 4UX

Laboratory buildings of 2358 m² occupied by OFGAS's Technical Directorate. The total site occupies 2.23 hectares and includes a number of other buildings occupied by other departments.

OFGAS also occupies rented office accommodation at two sites in central London.

IT and Telecommunications Equipment

The department operates a Novell v4.11 with associated peripherals for 130 network users. OFGAS use a Siemens GEC ISDX telephone system.

Laboratory Equipment

There are 95 major items technical and scientific equipment used in the laboratories for the purposes of gas examining and meter testing.

Fixtures and Fittings

OFGAS has many items of general office furniture and equipment required for the day to day running of the business.

OFFICE OF ELECTRICITY REGULATION

Introduction

The Office of Electricity Regulation (OFFER), headed by the Director General of Electricity Supply, is responsible for regulating the privatised electricity industry, promoting competition and electricity consumer protection. The department also provides an Electricity Meter Examining Service and provides administrative support to 14 independent Electricity Consumers Committees.

The department is vote funded and is empowered by the Electricity Act 1989, and the Electricity Act 1989 (Fees) Order 1990 and other subordinate legislation to recover its full economic operating costs. This is achieved through the levying of fees for Meter Examination and Certification, recovery of costs associated with the Fossils Fuel Levy and through the granting of annual licences to Electricity Generators, Transmitters and Distributors/Suppliers.

The department has maintained its own asset register for several years, providing financial input for the annual Memorandum Trading Account.

Accounting policies

The asset statement has been prepared in accordance with the Resource Accounting Manual issued by HM Treasury. The particular accounting policies adopted by the Office of Electricity Regulation in respect of the assets are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

Financial data is prepared under the historical cost convention modified to account for revaluation of fixed assets at their value to the business by reference to their current costs. The minimum level for capitalisation of a tangible fixed asset is £1,000 together with a working life expected to exceed one year.

Depreciation is provided at rates calculated to write off the value by equal instalments over their estimated useful lives. A full year's depreciation is charged in the year of purchase.

The department's Annual Report for 1996 which contains information on the asset holdings as at 31 March 1996 was published on 4 June 1997. Asset holdings as at 31 March 1997 will be published in the 1997 Annual Report due to be published in early 1998.

Departmental Asset Register

Land and Buildings

None held. OFFER holds “modern leases” on its 13 properties which have not been capitalised, in accordance with current accounting practice.

Building Works

The start up costs over the first three years of the refurbishments in preparing the offices for occupation were capitalised so that the amortisation of the investment would reduce the financial burden on the licensees during the early years of this regulatory regime.

Computers and Equipment

The collection of desktop PCs, servers and other IT hardware that comprise OFFER’s office systems, plus the technical equipment purchased for the laboratory for use by the Electricity Meter Examining Service in pursuance of their statutory duties.

Office Furniture and Fittings

The office fixtures - desks, chairs, tables, photocopiers etc. Whilst individually many of these items fall below the capitalisation threshold, the volumes held constitute a capital investment and have been recorded as such.

Official Vehicles

Cars acquired for essential users under the auspices of the approved “Private use of official cars scheme”.

Numbers of the above assets held are:

Description	Number
Computers and Equipment	2,101
Office Furniture and Fittings	3,038
Official vehicles	25

A copy of the full annual report and accounts can be obtained from OFFER Administration, Hagley House, Hagley Road, Edgbaston, Birmingham, B16 8QG.

EXPORT CREDITS GUARANTEE DEPARTMENT

Introduction

The Exports Credits Guarantee Department is a separate Government department reporting to the President of the Board of Trade, which is grouped together with DTI for the purposes of the National Asset Register.

The NAR includes only the assets of the ECGD.

The assets are tangible fixed assets which are shown under this category on the face of the published Balance Sheet for ECGD (part of the Annual Trading Account which is available from The Stationery Office).

Tangible fixed assets with an acquisition cost of £10,000 or more only are included in the NAR.

Unrecovered claims arising from payments made under guarantees issues are not included in the NAR.

Departmental Asset Register

The Departmental Asset register will contain details of the individual assets which meet the capitalisation criteria for inclusion in the Balance sheet and the NAR.

Assets will be shown in the following categories:

Plant and Machinery

Fixtures and Fittings

ECGD leases all its premises and so does no details of land and buildings will appear in the asset register

Fixed Assets

Plant and Machinery: ECGD has a network of 400 user PCs with associated network support PCs and printers, 5 corporate servers and 7 network servers, together with operating software.

Fixtures and fittings: the department has many items of general office furnishings and equipment required for the day to day operations of the business.