

Serious Fraud Office

Introduction

1. This Estimate covers the administration costs, capital costs and operational costs incurred by the Serious Fraud Office. Included are the costs of SFO staff, fees to counsel and outside accountants, witness expenses, use of information technology to improve the presentation of evidence, other investigation and prosecution costs and defendants' costs orders by the court to be paid by the SFO.
2. Further details of the expenditure of the SFO can be found in Part 3 of the Law Officers' Departments' Departmental Report 2005 (Cm 6531).
3. Symbols are explained in the Introduction to this booklet.

Part I

	£
Request for Resource 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law	35,775,000
Total net resource requirement	35,775,000
Net cash requirement	39,431,000

Amounts required in the year ending 31 March 2006 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
	£	£	£
RfR 1	35,775,000	13,676,000	22,099,000
Total net resource requirement	35,775,000	13,676,000	22,099,000
Net cash requirement	39,431,000	15,525,000	23,906,000

Part II: Subhead detail

£'000

2005-06						2004-05 Provision	2003-04 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law									
24,975	10,850	-	35,825	50	35,775	3,500	-	38,255	28,399
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration									
24,975	200	-	25,175	-	25,175	3,500	-	24,655	18,940
B Investigations and Prosecutions									
-	10,650	-	10,650	50	10,600	-	-	13,600	9,459
Total for Estimate:									
24,975	10,850	-	35,825	50	35,775	3,500	-	38,255	28,399

Part II: Resource to cash reconciliation

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net Total Resources	35,775	38,255	28,399
Voted capital items			
Capital	3,500	3,500	1,052
Less Non-operating A-in-A	-	-	-
Total net voted capital	<u>3,500</u>	<u>3,500</u>	<u>1,052</u>
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-15	22
Depreciation	-1,600	-750	-609
New provisions and adjustments to previous provisions	-	-	-211
Profit (+) / loss (-) on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-60	-55
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	930	700	832
Increase (-) / Decrease (+) in creditors	930	700	337
Use of provisions	<u>40</u>	<u>35</u>	<u>98</u>
Total accruals to cash adjustments	<u>156</u>	<u>610</u>	<u>414</u>
Excess cash to be CFERd	-	-	-
Net Cash Requirement	<u>39,431</u>	<u>42,365</u>	<u>29,865</u>

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					
	2005-06 Provision		2004-05 Provision		2003-04 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	-	-	-	-	608	362
Non-operating income not classified as AinA	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>608</u>	<u>362</u>

Forecast Operating Cost Statement

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net administration costs:			
RfR 1	24,975	24,605	18,304
Net programme costs:			
RfR 1	10,800	13,650	9,487
Total net programme costs	10,800	13,650	9,487
Total Net Operating Cost	35,775	38,255	27,791
<i>of which:</i>			
Net Resource Outturn	35,775	38,255	28,399
CFERs	-	-	-608
Non-voted expenditure	-	-	-
Resource Budget Outturn	35,775	38,255	27,791

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
Net Resource Outturn (Estimates)	35,775	38,255	28,399
<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	-	-	-608
Other adjustments	-	-	-
Net Operating Cost (Accounts)	35,775	38,255	27,791
<i>Adjustments to remove:</i>			
capital grants to local authorities	-	-	-
capital grants financed from the Capital Modernisation Fund	-	-	-
European Union income and related adjustments	-	-	-
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	-	-	-
Resource Budget Outturn (Budget)	35,775	38,255	27,791
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	35,775	38,255	27,791
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
Net Voted Capital Outturn (Estimates)	3,500	3,500	1,052
<i>Adjustments to remove:</i>			
gains / losses from sale of capital assets	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	-	-	-
capital spending by non-departmental public bodies	-	-	-
capital grants to local authorities	-	-	-
capital grants financed by the Capital Modernisation Fund	-	-	-
local authority credit approvals	-	-	-
capital spending by levy funded bodies	-	-	-
unallocated capital provision	-	-	-
Other adjustments	-	-	-
Capital Budget Outturn (Budget)	3,500	3,500	1,052
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	3,500	3,500	1,052
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate *(continued)*

Explanation of Accounting Officer responsibilities

In accordance with Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resources within this Estimate.

Request for Resources 1: Robert Wardle, Director of the Serious Fraud Office

Robert Wardle, as the Principal Accounting Officer (PAO) of the Serious Fraud Office has personal responsibility for the proper presentation of the Serious Fraud Office's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Serious Fraud Office.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Serious Fraud Office's policies, aims, and objectives; and should regularly review the effectiveness of that system.

Notes to the Main Estimate *(continued)*

Analysis of appropriations in aid (A in A)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A
RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law						
Income received from award of legal costs	50	—	25	—	20	—
Total RfR1	50*	—	25	—	20	—
<i>of which: Administration Budgets</i>	—	—	—	—	—	—

*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of income arising from costs awarded to the SFO in court.

Notes to the Main Estimate *(continued)*

Analysis of Consolidated Fund Extra Receipts (CFERs)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Miscellaneous ϕ	—	—	—	—	608	362
Total	—	—	—	—	608	362

Notes to the Main Estimate *(continued)*

Departmental Expenditure Limits and Administration Budgets

£'000

Details of 2005-06 Departmental Expenditure Limits (DEL) and Administration budget limits

	Voted*	Non-voted	Total
Resource DEL	35,775	—	35,775
<i>of which: Administration Budget</i>	24,975	—	24,975
Capital DEL**	3,500	—	3,500
Less depreciation†	–1,600	—	–1,600
Total DEL	37,675	—	37,675

* Excludes EU receipts included in Estimates, but excluded in Budgets.

** Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review.

† 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.

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

The total net resource sought for 2005-06 of £35,775,000 is 6.5 per cent lower than the final provision and forecast outturn for 2004-05 of £38,255,000.

Notes to the Main Estimate *(continued)*
Cash which may be retained to offset expenditure

£'000

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

	2005-06 provision	2004-05 provision	2003-04 outturn
	50	25	20
