

# Office of Fair Trading

---

## Introduction

1. The Office of Fair Trading is an independent consumer protection and competition authority. Its goal is to make markets work well for consumers. This is achieved by enforcing competition and consumer protection law, investigating markets and through an active communications strategy.
2. Further details of the expenditure contained in this Estimate can be found in the OFT Departmental Report Cm 6218.
3. Symbols are explained in the Introduction to this booklet.

## Part I

	£
<b>Request for Resources 1: Advancing and safeguarding the economic interests of UK consumers</b>	<b>55,896,000</b>
<b>Total net resource requirement</b>	<b>55,896,000</b>
<b>Net cash requirement</b>	<b>54,539,000</b>

Amounts required in the year ending 31 March 2005 for expenditure by the Office of Fair Trading on:

### **RfR1: Advancing and safeguarding the economic interests of UK consumers**

administrative and operational costs, and associated non-cash items.

The **Office of Fair Trading** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
<b>RfR 1</b>	55,896,000	24,469,000	31,427,000
<b>Total net resource requirement</b>	55,896,000	24,469,000	31,427,000
<b>Net cash requirement</b>	54,539,000	24,785,000	29,754,000

## Part II: Subhead detail

£'000

2004-05						2003-04 Provision	2002-03 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
<b>RfR 1: Advancing and safeguarding the economic interests of UK consumers</b>									
53,632	2,573	-	56,205	309	55,896	1,398	-	54,396	43,530
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A Administration									
53,632	2,550	-	56,182	309	55,873	1,398	-	54,373	43,530
<b>Non-budget</b>									
B Refunds									
-	23	-	23	-	23	-	-	23	-
<b>Total for Estimate:</b>									
53,632	2,573	-	56,205	309	55,896	1,398	-	54,396	43,530

## Part II: Resource to cash reconciliation

	2004-05		2003-04		2002-03	
	Provision		Provision		Outturn	
	£'000					
<b>Net Total Resources</b>	55,896		54,396		43,530	
<b>Voted capital items</b>						
Capital	1,398		3,398		1,990	
Less Non-operating A-in-A	-		-		-	
<b>Total net voted capital</b>	1,398		3,398		1,990	
<b>Accruals to cash adjustment</b>						
Adjustments to remove non-cash items:						
Cost of Capital charges	-303		-303		-132	
Depreciation	-2,549		-2,549		-1,739	
New provisions and adjustments to previous provisions	-188		-188		-188	
Profit/loss on sale of assets	-		-		-	
Prior period adjustments	-		-		-	
Other non-cash items	-16		-16		-2,026	
Increase (+) / Decrease (-) in stock	-		-		-	
Increase (+) / Decrease (-) in debtors	31		31		-2,654	
Increase (-) / Decrease (+) in creditors	175		175		3,250	
Use of provisions	95		95		95	
<b>Total accruals to cash adjustments</b>	-2,755		-2,755		-3,394	
<b>Excess cash to be CFERd</b>	-		-		-	
<b>Net Cash Requirement</b>	54,539		55,039		42,126	

## 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):-

	2004-05		2003-04		2002-03	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
	£'000					
Operating income not classified as AinA	6,225	6,225	6,225	6,225	11,716	14,074
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	-	-	-	-	-	-
<b>Total</b>	<b>6,225</b>	<b>6,225</b>	<b>6,225</b>	<b>6,225</b>	<b>11,716</b>	<b>14,074</b>

## Forecast Operating Cost Statement

	2004-05 Provision	2003-04 Provision	2002-03 Outturn	£'000
<b>Net administration costs:</b>				
RfR 1	53,337	52,337		43,233
<b>Net programme costs:</b>				
RfR 1	-3,666	-4,166	-11,419	
<b>Total net programme costs</b>	<u>-3,666</u>	<u>-4,166</u>	<u>-11,419</u>	<u>-11,419</u>
<b>Total Net Operating Cost</b>	<b>49,671</b>	<b>48,171</b>		<b>31,814</b>
<i>of which:</i>				
<b>Net Resource Outturn</b>	<b>55,896</b>	<b>54,396</b>		<b>43,530</b>
CFERs	-6,225	-6,225		-11,716
Non-voted expenditure	-	-		-
<b>Resource Budget Outturn</b>	<b>55,884</b>	<b>54,384</b>		<b>43,530</b>

## Notes to the Main Estimate

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

	£'000		
	2004-05	2003-04	2002-03
	Provision	Provision	Outturn
<b>Net Resource Outturn (Estimates)</b>	<b>55,896</b>	<b>54,396</b>	<b>43,530</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	-6,225	-6,225	-11,716
Other adjustments	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>49,671</b>	<b>48,171</b>	<b>31,814</b>
<i>Adjustments to remove:</i>			
capital grants to local authorities	-	-	-
capital grants financed from the Capital Modernisation Fund	-	-	-
European Union income and related adjustments	11	11	-
voted expenditure outside the budget	-23	-23	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	6,225	6,225	11,716
resource consumption of non departmental public bodies	-	-	-
unallocated resource provision	-	-	-
Other adjustments	-	-	-
<b>Resource Budget Outturn (Budget)</b>	<b>55,884</b>	<b>54,384</b>	<b>43,530</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	55,884	54,384	43,530
Annually Managed Expenditure (AME)	-	-	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2004-05	2003-04	2002-03
	Provision	Provision	Outturn
<b>Net Voted Capital Outturn (Estimates)</b>	<b>1,398</b>	<b>3,398</b>	<b>1,990</b>
<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	-	-	-
<b>Capital Budget Outturn (Budget)</b>	<b>1,398</b>	<b>3,398</b>	<b>1,990</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,398	3,398	1,990
Annually Managed Expenditure (AME)	-	-	-

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

### Explanation of Accounting Officer responsibilities

The Treasury has appointed the Chairman of the OFT, John Vickers, as the Accounting Officer of the Department with responsibility for preparing the Department's Estimate.

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 for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in *Government Accounting*.

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

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

	£'000					
	2004-05 provision		2003-04 provision		2002-03 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
<b>RfR 1: Advancing and safeguarding the economic interests of UK consumers</b>						
Pension Contributions	3	—	3	—	3	—
Receipts from European Travel	11	—	11	—	—	—
Recovered Common Services provided to other departments	—	—	3	—	—	—
Competition Act Notification fees	—	—	20	—	—	—
Minor Occupiers Rental Income	295	—	272	—	620	—
<b>Total RfR 1</b>	<b>309*</b>	<b>—</b>	<b>309</b>	<b>—</b>	<b>623</b>	<b>—</b>

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from the recovery of legal costs, fees for common services provided to other departments and Competition Act fees.

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

### Analysis of Consolidated Fund extra receipts

	£'000					
	2004-05 provision		2003-04 provision		2002-03 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Fees for administration of the Consumer Credit Act 1974 and for Mergers under the Fair Trading Act 1973	6,225	6,225	6,225	6,225	11,716	14,074
Miscellaneous receipts						
<b>Total</b>	<b>6,225</b>	<b>6,225</b>	<b>6,225</b>	<b>6,225</b>	<b>11,716</b>	<b>14,074</b>

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

### Administration costs limits and Departmental Expenditure Limits

Administration costs limits £'000

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	53,632	-298	53,334
Net administration costs limits	—	—	—

Departmental Expenditure Limits (DEL) £'000

	Voted*	Non-voted	Total
Resource DEL	55,884	—	55,884
Capital DEL	1,398	—	1,398
Less depreciation	-2,549	—	-2,549
Total DEL	54,733	—	54,733

- \* i. 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  
 ii. Excludes EU receipts included in Estimates, but excluded in Budgets

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

The provision sought for 2004-05 of £55,896,000 is 2.8% higher than the 2003-04 final net provision of £54,396,000 and 13.8% higher than the forecast outturn for 2003–04 of £49,112,000.

## 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 due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid

	2004-05 provision	2003-04 provision	2002-03 outturn
	309	309	623

