

Office of Fair Trading

Introduction

1. The Office of Fair Trading (OFT) 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 can be found in the OFT Annual Report.
3. Symbols are explained in the Introduction to this booklet.

Office of Fair Trading

Part I

	£
Request for Resources 1: Advancing and safeguarding the economic interests of UK consumers	75,994,000
Total net resource requirement	75,994,000
Net cash requirement	74,496,000

Amounts required in the year ending 31 March 2008 for expenditure by the Office of Fair Trading on:

RfR 1: 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
RfR 1	75,994,000	34,192,000	41,802,000
Total net resource requirement	75,994,000	34,192,000	41,802,000
Net cash requirement	74,496,000	33,521,000	40,975,000

Part II: Subhead detail

£'000

2007-08 Provision						2006-07 Provision	2005-06 Outturn		
Resources						Capital	Non- operating	Net Total	Net Total
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
RfR 1: Advancing and safeguarding the economic interests of UK consumers									
73,944	2,050	-	75,994	-	75,994	1,398	-	77,883	54,930
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration									
73,944	2,050	-	75,994	-	75,994	1,398	-	77,883	54,831
Non-Budget									
<i>Refunds</i>									
-	-	-	-	-	-	-	-	-	99
Total for Estimate:									
73,944	2,050	-	75,994	-	75,994	1,398	-	77,883	54,930

Part II: Resource to cash reconciliation

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Requirement	75,994	77,883	54,930
Voted capital items			
Capital	1,398	2,698	1,855
Less Non-operating A-in-A	-	-	15
Total net voted capital	1,398	2,698	1,840
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-303	-303	-22
Depreciation	-2,549	-2,549	-2,116
New provisions and adjustments to previous provisions	-139	-133	-1,248
Profit/loss on sale of assets	-	-	15
Prior period adjustments	-	-	-
Other non-cash items	-	-	-50
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	95	95	380
Total accruals to cash adjustments	-2,896	-2,890	-3,041
Excess cash to be CFERd	-	-	-
Net Cash Requirement	74,496	77,691	53,729

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					
	2007-08		2006-07		2005-06	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	-	-	-	-	18,679	<i>18,622</i>
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	7,000	<i>7,000</i>	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	7,000	<i>7,000</i>	-	-	18,679	<i>18,622</i>

Forecast Operating Cost Statement

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Administration Costs			
RfR 1	73,944	75,833	53,362
Total Net Administration costs	73,944	75,833	53,362
Net Programme Costs			
RfR 1	2,050	2,050	-17,111
Total Net Programme costs	2,050	2,050	-17,111
Total Net Operating Cost	75,994	77,883	36,251
<i>of which:</i>			
Net Resource Requirement	75,994	77,883	54,930
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-18,679
Resource Budget	75,994	77,883	54,846

Notes to the Main Estimate (*continued*)

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Requirement (Estimates)	75,994	77,883	54,930
<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	-	-	-18,679
Other adjustments	-	-	-
Net Operating Cost (Accounts)	75,994	77,883	36,251
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	15
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	-99
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	18,679
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	-	-	-
Resource Budget (Budget)	75,994	77,883	54,846
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	75,994	77,883	54,846
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Voted Capital (Estimates)	1,398	2,698	1,840
<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	-	-	-
Other adjustments	-	-	-
Capital Budget (Budget)	1,398	2,698	1,840
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	1,398	2,698	1,840
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate (*continued*)

Explanation of Accounting Officer responsibilities

In accordance with the 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: John Fingleton, CEO of OFT

John Fingleton as the Accounting Officer of the Office of Fair Trading has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office of Fair Trading.

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 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 the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims and objectives and should regularly review the effectiveness of that system.

Notes to the Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: Advancing and safeguarding the economic interests of UK consumers			
Administration	-	-	14
<i>of which:</i>			
Sale of goods and services	-	-	14
Sale of goods and services	-	-	18,679
CFERs	-	-	-18,679
Total RfR 1	-	-	14
Total Operating A in A	-	-	14

Analysis of non-operating appropriations in aid (A in A)

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: Advancing and safeguarding the economic interests of UK consumers			
Administration	-	-	15
<i>of which:</i>			
Sale of assets	-	-	15
Total RfR 1	-	-	15
Total Non-Operating A in A	-	-	15

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2007-08		2006-07		2005-06	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Fees for administration of the Consumer Credit Act 1974 and for mergers under the Fair Trading Act ●	-	-	-	-	18,679	18,622
Trading Act 1973 ●	-	-	-	-	-	-
Charges and penalties ●	7,000	7,000	-	-	-	-
Total	7,000	7,000	-	-	18,679	18,622

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	75,994	-	75,994
<i>of which: †</i>			
Administration budget	73,944	-	73,944
Near-cash in RDEL	73,003	95	73,098
Capital DEL ††	1,398	-	1,398
Less Depreciation †††	-2,549	-	-2,549
Total DEL	74,843	-	74,843

† 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 2007-08 of £75,994,000 is 2.4 per cent lower than the final net provision for 2006-07 of £77,883,000 and 1.9 per cent higher than the forecast outturn for 2006-07 of £74,610,000.

Cash which may be retained to offset expenditure

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
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.	-	-	29

