

# Charity Commission

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## Introduction

1. This Supplementary Estimate is required for the following purposes:

	<b>Amount £</b>
<b><u>Changes in resources</u></b>	
<b>RfR 1: Giving the public confidence in the integrity of charity</b>	
<b>Increases:</b>	
<u>Take up of End Year Flexibility</u>	
Take up of administration costs EYF on subhead A1 (all near-cash) for initial costs of £200,000 in new Charities Act expenditure including recruitment of new Commissioners, £500,000 of expenditure on staff severances to reduce baseline pay costs and £200,000 in respect of dilapidations on the London Office.	900,000
<b>Total change in resources for RfR1</b>	<b>900,000</b>
<b>Total change in resources for Estimate</b>	<b>900,000</b>

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £900,000.
3. Symbols are explained in the Introduction to this booklet.

**Part I**

£

**RfR 1: Giving the public confidence in the integrity of charity****900,000**

Total additional net resource requirement

900,000

**Additional net cash requirement****900,000**

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SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Charity Commission on:

**RfR 1: Giving the public confidence in the integrity of charity**

Administration, capital expenditure and associated non-cash items.

The Charity Commission will account for this Estimate.

## Part II: Changes proposed

Resources	£'000				
	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
<b>RfR 1: Giving the public confidence in the integrity of charity</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	30,243	900	-	900	31,143
<b>Total RfR 1</b>		<b>900</b>	<b>-</b>	<b>900</b>	
<b>Total Changes to RfRs</b>		<b>900</b>	<b>-</b>	<b>900</b>	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	1,399	-	1,399
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>30,541</b>	<b>900</b>	<b>31,441</b>

**Part II: Revised subhead detail including additional provision**

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
<b>RfR 1: Giving the public confidence in the integrity of charity</b>								
31,613	-	-	31,613	470	31,143	1,399	-	
check line (not for printing)			31,613		31,143			
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
31,613	-	-	31,613	470	31,143	1,399	-	
<b>Total for Estimate:</b>								
31,613	-	-	31,613	470	31,143	1,399	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net Resource Requirement</b>	<b>30,243</b>	<b>900</b>	<b>31,143</b>
<b>Voted capital items</b>			
Capital	1,399	-	1,399
<i>Less:</i> Non-operating A in A	-	-	-
<b>Total net voted capital</b>	<b>1,399</b>	<b>-</b>	<b>1,399</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-100	-188
Depreciation	-650	-350	-1,000
New provisions and adjustments to previous provisions	-93	-200	-293
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-100	-280
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-40	-	-40
Increase(-)/decrease (+) in creditors	-50	-50	-100
Use of provisions	-	800	800
<b>Total accruals to cash adjustments</b>	<b>-1,101</b>	<b>-</b>	<b>-1,101</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Requirement</b>	<b>30,541</b>	<b>900</b>	<b>31,441</b>

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

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2006-07 provision
<b>Net Administration Costs</b>	
RfR1	31,143
<b>Total Net Administration Costs</b>	<b>31,143</b>
<b>Net Programme Costs</b>	
RfR1	-
<b>Total Net Programme costs</b>	-
<b>Total Net Operating Cost</b>	<b>31,143</b>
<i>of which:</i>	
<b>Net Resource Requirement</b>	<b>31,143</b>
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
<b>Resource Budget</b>	<b>31,143</b>

## Notes to the Estimate

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

	£'000
	2006-07 Provision
<b>Net Resource Requirement (Estimates)</b>	<b>31,143</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	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>31,143</b>
<i>Adjustments to remove:</i>	
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	-
<b>Resource Budget (Budget)</b>	<b>31,143</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	31,143
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
<b>Net Voted Capital (Estimates)</b>	<b>1,399</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	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
<b>Capital Budget (Budget)</b>	<b>1,399</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,399
Annually Managed Expenditure (AME)	-

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## Notes to the 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 appointments for the Requests for Resources within this Estimate.

**Request for Resources 1**

Andrew Hind, Chief Executive of the Charity Commission

Andrew Hind as the Accounting Officer of the Charity Commission 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 Charity Commission.

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 Estimate (*continued*)

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

	£'000
	2006-07 Provision
<b>RfR 1: Giving the public confidence in the integrity of charity</b>	
<b>Administration</b>	<b>470</b>
<i>of which:</i>	
Sale of goods and services	470
<b>Programme</b>	<b>-</b>
<i>of which:</i>	
<b>Total RfR1</b>	<b>470 †</b>
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, and amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project.	
<b>Total Operating A in A</b>	<b>470</b>

## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	900	-	31,143	-	31,143
<i>of which:</i>					
<i>Administration budget*</i>	900	-	31,143	-	31,143
<i>Near-cash in RDEL</i>	100	800	29,332	800	30,132
Capital**	-	-	1,399	-	1,399
Less Depreciation†	-350	-	-1,000	-	-1,000
Total	550	-	31,542	-	31,542

\*The total of '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.

### 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	470