
Postal Services Commission

Introduction

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

	Amount (£)	
	<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>		
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	-	-

2. As a result of a forecast decrease in end-year creditors which is higher than the original forecast in the Main Estimate, there is an increase in the net cash requirement of £1,517,000
3. Symbols are explained in the Introduction to this booklet.

Postal Services Commission

Part I

	£
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	-
Total additional net resource requirement	-
Additional net cash requirement	1,517,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Postal Services Commission on:

RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition

Administrative and operational costs and associated non-cash items

The **Postal Services Commission** will account for this Estimate.

Part II: Changes proposed

		£'000				
Resources		Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	New Net Provision
RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting						
Spending in Departmental Expenditure Limits (DEL)						
RfR 1 - A	Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	1	-	-	-	1
Total RfR 1		<hr/> <hr/>				-
Total Changes to RfRs		<hr/> <hr/>				-

		£000		
		Present Provision	Change in Provision	New Provision
Capital and Cash				
Total Capital Expenditure		460	-	460
Non-Operating A in A		-	-	-
Net cash requirement		1	1,517	1,518

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
RFR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and							
9,968	-	-	9,968	9,967	1	460	-
Spending in Departmental Expenditure Limits (DEL)							
<i>Central Government spending</i>							
A Ensuring the provision of a universal postal service at a uniform tariff protecting consumers and promoting competition							
9,968	-	-	9,968	9,967	1	460	-
Total for Estimate:							
9,968	-	-	9,968	9,967	1	460	-

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	£'000 <u>Revised</u>
Net Resource Requirement	1	-	1
Voted capital items			
Capital	460	-	460
<i>Less:</i> Non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
Total net voted capital	460	-	460
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-15	-	-15
Depreciation	-772	-	-772
New provisions and adjustments to previous provisions	-40	-	-40
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-40	-	-40
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	407	1,517	1,924
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-460	1,517	1,057
Excess cash to be CFERd	-	-	-
Net Cash Requirement	1	1,517	1,518

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RFR1	1
Total Net Administration Costs	1
Total Net Operating Cost	1
<i>of which:</i>	
Net Resource Requirement	1
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	1

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	1
<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	-
Net Operating Costs (Accounts)	1
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
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	-
Resource Budget (Budget)	1
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	460
<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)	460
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	460
Annually Managed Expenditure (AME)	-

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

Sarah Chambers, Chief Executive of the Commission

Sarah Chambers as the Accounting Officer of the Postal Services 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 Department for Transport.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. 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
	2007-08 Provision
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RfR 1: Ensuring the provision of a universal postal service at a uniform tariff, protecting consumers and promoting competition	
Administration	9,967
<i>of which:</i>	
Regulatory licences, fines , penalties and taxes	9,967
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Total RfR1	9,967 †
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: income from postal operators.</i>	
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Total Operating A in A	9,967
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	-	-	1	-	1
<i>of which:</i>					
Administration budget*	-	-	1	-	1
Near-cash in RDEL	-	-	-866	-	-866
Capital**	-	-	460	-	460
Less Depreciation†	-	-	-772	-	-772
Total	-	-	-311	-	-311

* 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	9,967