

# Serious Fraud Office

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## Introduction

1. This Estimate covers the administration costs, capital costs and operational costs incurred by the Serious Fraud Office (SFO). Included are the costs of the SFO staff, fees to Counsel and outside accountants, witness expenses, use of information technology to improve presentation of evidence, other investigation and prosecution costs and defendant's costs ordered by the courts 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 2008 .
3. Symbols are explained in the introduction to this booklet.

# Serious Fraud Office

## Part I

	£
<b>Request for Resources 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>	<b>39,049,000</b>
<b>Total net resource requirement</b>	<b>39,049,000</b>
<b>Net cash requirement</b>	<b>40,890,000</b>

Amounts required in the year ending 31 March 2009 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
<b>RfR 1</b>	<b>39,049,000</b>	<b>16,096,000</b>	<b>22,953,000</b>
<b>Total net resource requirement</b>	<b>39,049,000</b>	<b>16,096,000</b>	<b>22,953,000</b>
<b>Net cash requirement</b>	<b>40,890,000</b>	<b>17,741,000</b>	<b>23,149,000</b>

**Part II: Subhead detail**

£'000

2008-09 Provision						2007-08 Provision	2006-07 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
<b>RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>									
-	39,099	-	39,099	50	39,049	3,530	-	51,114	40,678
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A	Investigations and prosecutions								
-	35,499	-	35,499	50	35,449	3,500	-	51,114	40,678
B	National Fraud Strategic Authority								
-	3,600	-	3,600	-	3,600	30	-	-	-
<b>Total for Estimate:</b>									
-	39,099	-	39,099	50	39,049	3,530	-	51,114	40,678

## Part II: Resource to cash reconciliation

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
<b>Net Resource Requirement</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</b>
<b>Voted capital items</b>			
Capital	3,530	5,800	3,466
Less Non-operating A-in-A	-	-	-
<b>Total net voted capital</b>	<b>3,530</b>	<b>5,800</b>	<b>3,466</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-79	-79	-30
Depreciation	-1,545	-1,800	-1,741
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-65	-65	-57
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	930	-
Increase (-) / Decrease (+) in creditors	-	930	-
Use of provisions	-	40	-
<b>Total accruals to cash adjustments</b>	<b>-1,689</b>	<b>-44</b>	<b>-1,828</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-621</b>
<b>Net Cash Requirement</b>	<b>40,890</b>	<b>56,870</b>	<b>41,695</b>

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

No CFER income or receipts are expected in 2008-09 or 2007-08. None were received in 2006-07.

## Forecast Operating Cost Statement

£'000

	2008-09 Provision	2007-08 Provision	2006-07 Outturn
<b>Net Programme Costs</b>			
RfR 1	39,049	51,114	40,678
<b>Total Net Programme costs</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</b>
<b>Total Net Operating Cost</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</b>
<i>of which:</i>			
Net Resource Requirement	39,049	51,114	40,678
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-	-	-
<b>Resource Budget</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</b>

## Notes to the Main Estimate

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

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
<b>Net Resource Requirement (Estimates)</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</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 Cost (Accounts)</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</b>
<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	-	-	-
<b>Resource Budget (Budget)</b>	<b>39,049</b>	<b>51,114</b>	<b>40,678</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	39,049	51,114	40,678
Annually Managed Expenditure (AME)	-	-	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
<b>Net Voted Capital (Estimates)</b>	<b>3,530</b>	<b>5,800</b>	<b>3,466</b>
<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>3,530</b>	<b>5,800</b>	<b>3,466</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	3,530	5,800	3,466
Annually Managed Expenditure (AME)	-	-	-

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## 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 Resource within this Estimate.

**Request for Resources 1:** Richard Alderman, Director of the Serious Fraud Office

Richard Alderman as the Accounting Officer of the Serious Fraud Office 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 Serious Fraud Office.

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 Main Estimate (*continued*)

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

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 Outturn
<b>RfR 1: Reducing fraud and the cost of fraud and delivering justice and the rule of law</b>			
<b>Programme</b>	<b>50</b>	<b>350</b>	<b>384</b>
<i>of which:</i>			
Sale of goods and services	50	-	257
Regulatory licences, fines, penalties and taxes	-	350	127
<b>Total RfR 1</b>	<b>50†</b>	<b>350</b>	<b>384</b>
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the recovery of income arising from costs awarded to the SFO in court.</i>			
<b>Total Operating A in A</b>	<b>50</b>	<b>350</b>	<b>384</b>

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

### Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	39,049	-	39,049
<i>of which: †</i>			
Administration budget	-	-	-
Near-cash in RDEL	37,360	-	37,360
Capital DEL ††	3,530	-	3,530
Less Depreciation †††	-1,545	-	-1,545
Total DEL	41,034	-	41,034

† 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 2008-09 of £39,049,000 is 23.6 per cent lower than the final net provision for 2007-08 of £51,114,000 and the forecast outturn for 2007-08 of £51,114,000.

### Cash which may be retained to offset expenditure

	£'000		
	2008-09 Provision	2007-08 Provision	2006-07 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.	50	350	384