

Charity 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: Giving the public confidence in the integrity of charity			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Transfers to/from Central Funds</u>			
Section A	Take up of £2.6 million from modernisation fund (£3.0 million agreed as part of CSR 07 settlement). Funds to be used to pay for staff severances as part of reprioritisation/reorganisation exercise to ensure the Commission is properly positioned to meet the budget settlement through to 2010-11 (all spending scores as non-cash in the resource DEL budget).	2,600,000	-
<u>Other changes</u>			
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
Section A	Increase in anticipated appropriations-in-aid arising from services paid for by the Department for Communities and Local Government and the Foreign and Commonwealth Office as well as miscellaneous income.	100,000	-100,000
		<u>Total</u>	
Total change in resources for RfR1		2,700,000	-100,000
		<hr/>	
Total change in resources for Estimate			2,600,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
<u>Changes related to movements in budgets</u>			
<u>Take up of DEL End Year Flexibility</u>			
Section A	Take up of prior years' EYF to fund completion of capital projects to enhance effectiveness of IS systems and increase availability of on-line services.	200,000	-
		<u>Total</u>	
Total change in capital for Estimate		200,000	-
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Total change in capital for Estimate			200,000

2. As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £200,000.

3. Symbols are explained in the Introduction to this booklet.

Charity Commission

Part I

	£
RfR 1: Giving the public confidence in the integrity of charity	2,600,000
Total additional net resource requirement	2,600,000
Additional net cash requirement	200,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 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	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000 New Net Provision
RfR 1: Giving the public confidence in the integrity of charity					
Spending in Departmental Expenditure Limits (DEL)					
<i>Central Government spending</i>					
RfR 1 - A Administration	31,743	2,700	100	2,600	34,343
Total RfR 1		2,700	100	2,600	
Total Changes to RfRs		2,700	100	2,600	

	Present Provision	Change in Provision	£000 New Provision
Capital and Cash			
Total Capital Expenditure	900	200	1,100
Non-Operating A in A	-	-	-
Net cash requirement	31,632	200	31,832

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: Giving the public confidence in the integrity of charity								
35,563	-	-	35,563	1,220	34,343	1,100	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration								
35,563	-	-	35,563	1,220	34,343	1,100	-	
Total for Estimate:								
35,563	-	-	35,563	1,220	34,343	1,100	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+) Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	31,743	2,600	34,343
Voted capital items			
Capital	900	200	1,100
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	900	200	1,100
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-	-88
Depreciation	-650	-	-650
New provisions and adjustments to previous provisions	-93	-2,600	-2,693
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	-	-	-
Total accruals to cash adjustments	-1,011	-2,600	-3,611
Excess cash to be CFERd	-	-	-
Net Cash Requirement	31,632	200	31,832

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	34,343
Total Net Administration Costs	34,343
Net Programme Costs	
RfR1	-
Non-voted	-
Total Net Programme costs	-
Total Net Operating Cost	34,343
<i>of which:</i>	
Net Resource Requirement	34,343
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	34,343

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	34,343
<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)	34,343
<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)	34,343
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	34,343
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	1,100
<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)	1,100
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,100
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

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 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

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

Administration	1,220
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of which:

Sale of goods and services	1,220
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Programme - |

of which:

Total RfR1	1,220 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: the sale of copies of documents, amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project, amounts which relate to funding from the Department of Government and Local Communities for the Faith and Social Cohesion Unit and sub-letting of part of the London building.

Total Operating A in A	1,220
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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	2,600	-	34,343	-	34,343
<i>of which: †</i>					
<i>Administration budget</i>	2,600	-	34,343	-	34,343
<i>Near-cash in RDEL</i>	-	-	30,732	-	30,732
Capital DEL ††	200	-	1,100	-	1,100
Less Depreciation †††	-	-	-650	-	-650
Total DEL	2,800	-	34,793	-	34,793

† 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	1,220