

Assets Recovery Agency

Introduction

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

Changes in resources

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Increases:

Token increase

A net token increase in resources. This reflects additional resources of £1,415,000 (subhead A2) offset by an increase in appropriations-in-aid (subhead A5) of £1,414,000. Increases in receipts relating to accommodation and ICT provision for the London Regional Assets Recovery Team and Enforcement Task Force, conference income and Regional Assets Recovery Team Financial Investigators.

Amount £

1,000

Total change in resources for RfR1 1,000

Total change in resources for Estimate 1,000

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: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	1,000
Total additional net resource requirement	1,000
Additional net cash requirement	900,000

SUPPLEMENTARY amounts required in the year ending 31 March 2007 for expenditure by the Assets Recovery Agency on:

RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Payments and expenses related to investigation, litigation and enforcement of referred cases from law enforcement agencies, expenses for the development and delivery of specialist training courses in financial investigation and other associated asset identification and recovery, expenses related to the administration and management of the service provision and associated non-cash items.

The Assets Recovery Agency 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
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RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation

Spending in Departmental Expenditure Limits (DEL)

RfR 1 - A	Helping to reduce crime	15,552	1,415	1,414	1	15,553
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Total RfR 1

1,415	1,414	1
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Total Changes to RfRs

1,415	1,414	1
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£000

Present Provision	Change in Provision	New Provision
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Capital and Cash

Total Capital Expenditure	-	-	-
Non-Operating A in A	-	-	-
Net cash requirement	16,163	900	17,063

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: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation								
3,972	24,006	-	27,978	12,425	15,553	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Helping to reduce crime								
3,972	24,006	-	27,978	12,425	15,553	-	-	
Total for Estimate:								
3,972	24,006	-	27,978	12,425	15,553	-	-	

Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
Net Resource Requirement	15,552	1	15,553
Voted capital items			
Capital	-	-	-
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	-	-	-
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	72		72
Depreciation	-413	-	-413
New provisions and adjustments to previous provisions	-2	-	-2
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-80	-	-80
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-1,826	2,003	177
Increase(-)/decrease (+) in creditors	2,860	-1,104	1,756
Use of provisions	-	-	-
Total accruals to cash adjustments	611	899	1,510
Excess cash to be CFERd	-	-	-
Net Cash Requirement	16,163	900	17,063

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

	£'000
	2006-07 provision
Net Administration Costs	
RfR1	3,897
Total Net Administration Costs	3,897
Net Programme Costs	
RfR1	11,656
Total Net Programme costs	11,656
Total Net Operating Cost	15,553
<i>of which:</i>	
Net Resource Requirement	15,553
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	15,553

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2006-07 Provision
Net Resource Requirement (Estimates)	15,553
<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)	15,553
<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	-
Resource Budget (Budget)	15,553
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	15,553
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2006-07 Provision
Net Voted Capital (Estimates)	-
<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	-
Capital Budget (Budget)	-
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	-
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 Jane Earl, Director of the Assets Recovery Agency

Jane Earl as the Accounting Officer of the Asset Recovery Agency 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 Assets Recovery Agency.

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
RfR 1: Helping to reduce crime by recovering the proceeds of crime through criminal confiscation, civil recovery and taxation	
Administration	75
<i>of which:</i>	
Interest from recovered assets	75
Programme	12,350
<i>of which:</i>	
Receipts from Conferencing	150
Delivery of specialist training courses in financial investigation	300
Shared Accommodation and ICT receipts	965
Incentivisation receipts, recovered assets applied and RAIF receipts	10,935
Total RfR1	12,425 †
† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: amounts recovered through civil recovery, asset recovery incentivisation from the Home Office, delivery of specialist training courses in financial investigation and other associated asset identification and recovery, shared accommodation and ICT receipts, conferencing income and interest on recovered amounts.	
Total Operating A in A	12,425

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	-	15,553	-	15,553
<i>of which:</i>					
<i>Administration budget*</i>	-	-	3,897	-	3,897
<i>Near-cash in RDEL</i>	1	-	15,130	-	15,130
Capital**	-	-	-	-	-
Less Depreciation†	-	-	-413	-	-413
Total	1	-	15,140	-	15,140

*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	12,425