
Foreign and Commonwealth Office

Introduction

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

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Increases:

Transfers from OGDs

1. PES Transfer from Home Office
£1,000,000
Section A2
Funding of Afghan Delivery Plan
2. PES Transfer from DFID
£7,985,000
Section A3
Transfer of Small Grants Scheme to FCO

Decreases:

Transfers to other government departments

1. PES Transfer to SIA
£1,400,000
Section A1
Language Training
2. PES Transfer to SIA
£3,588,000
Section A2
Funding revisions in Planned Programme Activity

Neutral Changes:

Increased Spending offset by income

1. £1,400,000
Sections A1 and A5
Increase in OGD receipts for Language Training

RfR 2: Conflict prevention

Increases:

Transfers from other government departments

1. PES Transfer from DfID
£150,000
Section B3
Transfer of funding for Caucasus Conflict Prevention projects

Introduction (*continued*)

2. PES Transfer from DfID
£12,000,000
Section C3
Transfer of funding for Africa Peacekeeping Activity

Decreases:

1. PES Transfer to SIA
£100,000
Section A3
Funding revisions in conflict prevention activity
2. As a result of these changes there is an increase in the net cash requirement of £16,047,000
3. Symbols are explained in the Introduction to this booklet.

Part I

£

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community	3,997,000
RfR 2: Conflict prevention	12,050,000
Total additional net resource requirement	16,047,000
Additional net cash requirement	16,047,000

SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Foreign and Commonwealth Office on:

RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community

Expenditure by the Foreign and Commonwealth Office including UK Trade and Investment, on its administration, Wilton Park Executive Agency, hospitality and facilities; international organisations, grants in aid to bodies supporting FCO objectives; scholarships, information services and sponsored visits; special payments and assistance programmes to support foreign policy objectives including human rights, good governance, international security and the fight against the illicit drug trade, the BBC Monitoring Service; on grant in aid to the BBC World Service for broadcasting and to the British Council; the refund of certain taxes and duties paid by certain Foreign and Commonwealth governments and international organisations; and on associated non-cash items.

RfR 2: Conflict prevention

Expenditure by the Foreign and Commonwealth Office on conflict prevention, early warning, crisis management, conflict resolution/peacemaking, peacekeeping and peacebuilding activity and on associated strengthening of international and regional systems and capacity.

The **Foreign and Commonwealth Office** 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
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community					
Spending in Departmental Expenditure Limits (DEL)					
RfR 1 - A Administration, international organisations programmes and BBC Monitoring subscriptions	931,618	5,397	1,400	3,997	935,615
Total RfR 1		5,397	1,400	3,997	
RfR 2: Conflict prevention					
Spending in Departmental Expenditure Limits (DEL)					
RfR 2 - A Sub-Saharan Africa - Programme expenditure	2,456	-100	-	-100	2,356
RfR 2 - B Global - programme expenditure	33,430	150	-	150	33,580
RfR 2 - C Sub-Saharan Africa - Peacekeeping	100,000	12,000	-	12,000	112,000
Total RfR 2		12,050	-	12,050	
Total Changes to RfRs		17,447	1,400	16,047	

Capital and Cash	£000		
	Present Provision	Change in Provision	New Provision
Total Capital Expenditure	136,993	-	136,993
Non-Operating A in A	15,015	-	15,015
Net cash requirement	1,724,029	16,047	1,740,076

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: Promoting internationally the interests of the UK and contributing to a strong world community								
894,469	690,773	218,970	1,804,212	257,331	1,546,881	136,993	15,015	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration, international organisations programmes and BBC Monitoring subscriptions								
728,149	284,627	180,170	1,192,946	257,331	935,615	136,993	15,015	
B BBC World Service Broadcasting								
-	208,143	-	208,143	-	208,143	-	-	
C British Council								
-	180,003	-	180,003	-	180,003	-	-	
D Accruals consequences of DEL programmes: administration								
166,320	-	-	166,320	-	166,320	-	-	
E BBC World Service - Capital grant								
-	-	31,000	31,000	-	31,000	-	-	
F British Council - Capital grant								
-	-	7,800	7,800	-	7,800	-	-	
Non-budget								
G Reimbursement of certain duties, taxes and licence fees								
-	18,000	-	18,000	-	18,000	-	-	
RfR 2: Conflict prevention								
-	-	247,936	247,936	-	247,936	-	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Sub-Saharan Africa - Programme expenditure								
-	-	2,356	2,356	-	2,356	-	-	
B Global - programme expenditure								
-	-	33,580	33,580	-	33,580	-	-	
C Sub-Saharan Africa - Peacekeeping								
-	-	112,000	112,000	-	112,000	-	-	
D Global - Peacekeeping								
-	-	100,000	100,000	-	100,000	-	-	
Total for Estimate:								
894,469	690,773	466,906	2,052,148	257,331	1,794,817	136,993	15,015	

Part II: Resource to cash reconciliation

	<u>Present</u>	Increase (+)/ Decrease (-)	<u>£'000</u> Revised
Net total Resources	1,778,770	16,047	1,794,817
Voted capital items			
Capital expenditure	136,993	-	136,993
<i>Less:</i> non-operating A in A	<u>15,015</u>	<u>-</u>	<u>15,015</u>
Total net voted capital	121,978	-	121,978
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-62,835	-	-62,835
Depreciation	-113,624	-	-113,624
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-260	-	-260
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-	-	-
Increase(-)/decrease (+) in creditors	-	-	-
Use of provisions	<u>-</u>	<u>-</u>	<u>-</u>
Total accruals to cash adjustments	-176,719	-	-176,719
Excess cash to be CFERd	-	-	-
Net cash requirement	1,724,029	16,047	1,740,076

Part III: Extra receipts payable to the Consolidated Fund

As in existing provision

Forecast Operating Cost Statement

		£'000
		2005-06 provision
Net Administration Costs		
RfR 1	796,238	
RfR 2	-	
Total Net Administration Costs		796,238
Net Programme Costs		
RfR 1	748,242	
RfR 2	247,936	
CFSP	6,713	
Total Net Programme costs		1,002,891
Total Net Operating Cost		1,799,129
<i>of which:</i>		
Net Resource Outturn		1,794,817
CFERs		-2,401
Non-voted expenditure		6,713
Resource Budget Outturn		1,829,530

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2005-06 Provision
Net Resource Outturn (Estimates)	1,794,817
<i>Adjustments to remove:</i>	
provision voted for earlier years	-
<i>Adjustments to additionally include:</i>	
non-voted expenditure in the OCS	6,713
Consolidated Fund extra receipts (CFERS) in the OCS	-2,401
Other adjustments	-
Net Operating Costs (Accounts)	1,799,129
<i>Adjustments to remove:</i>	
capital grants to local authorities	-
capital grants financed from the Capital Modernisation Fund	-
European Union income and related adjustments	-
voted expenditure outside the budget	-18,000
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	2,401
resource consumption of non departmental public bodies	-
unallocated resource provision	46,000
Other adjustments	-
Resource Budget Outturn (Budget)	1,829,530
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	1,829,530
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
Net Voted Capital Outturn (Estimates)	121,978
<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 to local authorities	-
capital grants financed by the Capital Modernisation Fund	-
local authority credit approvals	-
capital spending by levy funded bodies	-
unallocated capital provision	1,000
Other adjustments	-
Capital Budget Outturn (Budget)	122,978
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	122,978
Annually Managed Expenditure (AME)	-

Notes to the Estimate

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 Sir Michael Jay, Principal Accounting Officer and permanent head of department

Request for Resources 2 Sir Michael Jay, Principal Accounting Officer and permanent head of department

Sir Michael Jay as the Principal Accounting Officer (PAO) of the Foreign and Commonwealth Office has personal responsibility for the proper presentation of the Foreign and Commonwealth Office's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The PAO, as the permanent head, in addition to the responsibilities for the assigned RfRs, remains in general overall charge of the Foreign and Commonwealth Office.

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 the 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 available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Foreign and Commonwealth Office's policies, aims and objectives; and should regularly review the effectiveness of that system.

Notes to the Estimate

Analysis of appropriations in aid (A in A)

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
RfR 1: Promoting internationally the interests of the UK and contributing to a strong world community		
Refunds of salaries of seconded FCO staff	1,256	-
Sale of information material	49	-
Sales into Wider Markets	5,590	-
Income from sub-letting and receipts from sales of surplus material and equipment	110	-
Receipts at home and overseas from legalisation fees, telephone and postage recoveries, medical schemes recoveries, bank interest and other sundry receipts	5,335	-
Receipts from Government Departments	96,465	-
Overseas receipts relating to local budgets	2,572	-
Receipts from visa and other services provided at consular offices	143,876	-
Lancaster House receipts from other customers	87	-
Wilton Park Executive Agency	1,679	-
Distressed British nationals, repayment of advances	65	-
DFID payments to Commonwealth Foundation	247	-
Income from sale of fixed assets	-	15,015
Total RfR 1	257,331 *	15,015 **
* Amount that may be applied as operating appropriations in aid in addition to the net total, arising from: salary refunds of seconded diplomatic staff and locally engaged staff; the sale of information material, income from sub-letting and receipts from sales of surplus material and equipment; receipts at home and overseas for legalisation fees, telephone and postage recoveries, medical scheme recoveries, bank interest and other sundry receipts, repayment by locally engaged staff of loans for car purchase and medical and other assistance, receipts from Government Departments, receipts for visa, passport and other services provided at consular offices; Wilton Park executive agency receipts for related running costs from other customers and receipts from sales and rents, Hospitality Section, Conference and visits Group and Lancaster House receipts for related running costs from other customers, repayment of sums advanced to distressed British Nationals; repayments of defence assistance loans to Singapore and Malaysia, receipts from Sales into Wider Markets.		
** Amount that may be applied as non-operating appropriation in aid including receipts from the sale of land and buildings, receipts from the sale of official vehicles and receipts realised by the British Council.		
Total A in A	257,331	15,015
<i>of which: Administration budgets</i>	<i>96,831</i>	<i>-</i>

Notes to the Estimate

Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Foreign and Commonwealth Office Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	16,047	1,776,817	52,713	1,829,530
<i>of which :Administration Budget</i>	<i>-1,400</i>	<i>796,238</i>	<i>-</i>	<i>796,238</i>
Capital	-	121,978	1,000	122,978
Depreciation *	-	-113,624	-20,000	-133,624
Total	16,047	1,785,171	33,713	1,818,884

* 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

272,346

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

