

# UK Trade & Investment

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## Introduction

1. This Estimate covers programme expenditure for the purpose of trade development and inward investment, including grants to the Regional Development Agencies (RDAs). The work of UK Trade & Investment is reported in its own Expenditure Plans report, Cm 6535, as well as the departmental reports of the Department of Trade and Industry (Cm 6536) and the Foreign and Commonwealth Office (Cm 6533).
2. UK Trade & Investment is a joint operation of the Foreign and Commonwealth Office and the Department of Trade & Industry. The administration costs relating to this programme expenditure in the two departments are reflected in the Main Estimates of those departments.
3. An analysis of Appropriations in Aid of this Request for Resources and related income for 2005-06 is included in this Main Estimate and shows comparison with the two prior years.
4. Symbols are explained in the Introduction to this booklet.

## Part I

	£
<b>Request for Resources 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and ensure a high level of quality foreign direct investment</b>	<b>100,057,000</b>
<b>Total net resource requirement</b>	<b>100,057,000</b>
<b>Net cash requirement</b>	<b>101,047,000</b>

Amounts required in the year ending 31 March 2006 for expenditure by UK Trade & Investment on:

**RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investments; and ensure a high level of quality foreign direct investment**

trade development and inward investment, including grants to the Regional Development Agencies (RDAs), associated capital and other related expenditure; and associated non-cash items.

**UK Trade & Investment** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
<b>RfR 1</b>	100,057,000	43,784,000	56,273,000
<b>Total net resource requirement</b>	100,057,000	43,784,000	56,273,000
<b>Net cash requirement</b>	101,047,000	44,754,000	56,293,000

## Part II: Subhead detail

£'000

2005-06						2004-05 Provision	2003-04 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
<b>RfR 1: To enhance the competitiveness of companies in the UK through overseas trade and investment; and ensure a continuing high level of quality foreign direct investment</b>									
-	85,224	16,230	101,454	1,397	100,057	248	-	101,097	96,614
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<i>Central Government spending</i>									
A Trade development and promotion and inward investment									
-	85,214	16,230	101,444	1,397	100,047	248	-	101,087	96,539
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
B Trade development and promotion and inward investment									
-	10	-	10	-	10	-	-	10	75
<b>Total for Estimate:</b>									
-	85,224	16,230	101,454	1,397	100,057	248	-	101,097	96,614

## Part II: Resource to cash reconciliation

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
<b>Net Total Resources</b>	100,057	101,097	96,614
<b>Voted capital items</b>			
Capital	248	248	237
Less Non-operating A-in-A	-	-	-
<b>Total net voted capital</b>	248	248	237
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	79	79	429
Depreciation	-187	-187	-151
New provisions and adjustments to previous provisions	-30	-30	-869
Profit (+) / loss (-) on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	880	1,990	-4,396
Use of provisions	-	1,690	1,993
<b>Total accruals to cash adjustments</b>	742	3,542	-2,994
<b>Excess cash to be CFERd</b>	-	-	-
<b>Net Cash Requirement</b>	101,047	104,887	93,857

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

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):-

	£'000					
	2005-06 Provision		2004-05 Provision		2003-04 Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	-	-	-	-	-	-
Non-operating income not classified as AinA	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	13	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	13	-

## Forecast Operating Cost Statement

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
<b>Net administration costs:</b>			
RfR 1	-	-	-
<b>Net programme costs:</b>			
RfR 1	100,057	101,097	96,614
<b>Total net programme costs</b>	<u>100,057</u>	<u>101,097</u>	<u>96,614</u>
<b>Total Net Operating Cost</b>	<b>100,057</b>	<b>101,097</b>	<b>96,614</b>
<i>of which:</i>			
<b>Net Resource Outturn</b>	<b>100,057</b>	<b>101,097</b>	<b>96,614</b>
CFERs	-	-	-
Non-voted expenditure	-	-	-
<b>Resource Budget Outturn</b>	<b>100,057</b>	<b>101,097</b>	<b>96,614</b>

## Notes to the Main Estimate

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

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
<b>Net Resource Outturn (Estimates)</b>	<b>100,057</b>	<b>101,097</b>	<b>96,614</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>100,057</b>	<b>101,097</b>	<b>96,614</b>
<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	-	-	-
<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 Outturn (Budget)</b>	<b>100,057</b>	<b>101,097</b>	<b>96,614</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	100,047	101,087	96,539
Annually Managed Expenditure (AME)	10	10	75

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
<b>Net Voted Capital Outturn (Estimates)</b>	<b>248</b>	<b>248</b>	<b>237</b>
<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	-	-	-
Other adjustments	-	-	-
<b>Capital Budget Outturn (Budget)</b>	<b>248</b>	<b>248</b>	<b>237</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	248	248	237
Annually Managed Expenditure (AME)	-	-	-

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

### Explanation of Accounting Officer responsibilities

In accordance with Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resources within this Estimate.

**Request for Resources 1:** Sir Stephen Brown, Principal Accounting Officer and Chief Executive of UK Trade & Investment

Sir Stephen Brown, as the Principal Accounting Officer (PAO) of UK Trade & Investment has personal responsibility for the proper presentation of UK Trade & Investment's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the chief executive, in addition to the responsibilities for the assigned RfR, remains in general overall charge of UK Trade & Investment.

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 UK Trade & Investment's policies, aims, and objectives; and should regularly review the effectiveness of that system.

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

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

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A
<b>RfR 1 – To enhance the competitiveness of companies in the UK through overseas sales and investment; and ensure a continuing high level of quality foreign direct investment</b>						
Trade development and inward investment: charges for international trade development services and other allowable income	1,397	—	1,604	—	1,275	—
<b>Total RfR1</b>	<b>1,397*</b>	<b>—</b>	<b>1,604</b>	<b>—</b>	<b>1,275</b>	<b>—</b>
<i>of which: Administration budgets</i>	—	—	—	—	—	—

\*Amount that may be applied as appropriations in aid in addition to the net total, arising from income relating to the provision of trade development services; asset sales; insurance claims; recovery of costs incurred on behalf of others; recovery of overpayments.

### Analysis of Consolidated Fund Extra Receipts (CFERs)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Trade development: interest earned on funds held by multilateral development agencies ●	—	—	—	—	13	—
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>13</b>	<b>—</b>

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

### Departmental Expenditure Limits and Administration Budgets

£'000

Details of 2005-06 Departmental Expenditure Limits (DEL) and Administration budget limits

	Voted*	Non-voted	Total
Resource DEL	100,047	—	100,047
<i>of which: Administration Budgets</i>	—	—	—
Capital DEL**	248	—	248
Less depreciation†	-187	—	-187
Total DEL	100,108	—	100,108

\* Excludes EU receipts included in Estimates, but excluded in Budgets.

\*\* Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review.

† 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.

### Comparisons of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2005-06 of £100,057,000 is 1.0 per cent lower than the final net provision and forecast outturn for 2004-05 of £101,097,000.

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

### 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:

	2005-06 provision	2004-05 provision	2003-04 outturn
	1,397	1,604	1,275

### Expenditure resting on the sole authority of the Appropriation Act

The RfR contains provision sought under the sole authority of Part 1 of the Estimate and the confirming Appropriation Act as follows:

£'000

Section A – Trade Development ■	101,057
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