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# Charity Commission

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## Introduction

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

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

#### **Increases:**

##### Take up of End Year Flexibility

1. Resources - administration costs

Take up of resources EYF of £1,910,000 (£1,410,000 near cash and £500,000 non cash)

(i) £1,410,000 (subhead A1)

One off accommodation costs and governance restructuring.

(ii) £500,000 (subhead A1)

Increase in resource cost for depreciation relating to increase in E-Business expenditure

2. Capital - other

Take up of capital EYF of £205,000

£205,000 (subhead A7)

To cover known peak in E-Business expenditure funded by prior year's controlled underspend.

#### **Decreases:**

##### Other decreases

1. Correction of error

£250,000 (subhead A1)

Correction of error in Main Estimate related to Efficiency Challenge Fund monies

#### **Neutral changes:**

##### Increased spending offset by income

1. £86,000 increase (subhead A1) offset by additional Appropriations in Aid of £86,000 (subhead A5)

To cover the International Outreach Project, funded by deferred income from 2004-05

2. As a result of these changes there is an increase in the net cash requirement of £1,858,000.
3. Symbols are explained in the Introduction to this booklet.

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**Part I**

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<b>RfR 1: Giving the public confidence in the integrity of charity</b>	<b>1,660,000</b>
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Total additional net resource requirement	1,660,000
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<b>Additional net cash requirement</b>	<b>1,858,000</b>
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SUPPLEMENTARY amounts required in the year ending 31 March 2006 for expenditure by the Charity Commission

**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
<b>RfR 1: Giving the public confidence in the integrity of charity</b>					
<b>Spending in Departmental Expenditure Limits (DEL)</b>					
RfR 1 - A Administration	30,493	1,746	86	1,660	32,153
<b>Total RfR 1</b>		<b>1,746</b>	<b>86</b>	<b>1,660</b>	

Capital and Cash	Present Provision	Change in Provision	£000 New Provision
Total Capital Expenditure	1,399	205	1,604
Non-Operating A in A	-	-	-
<b>Net cash requirement</b>	<b>30,474</b>	<b>1,858</b>	<b>32,332</b>

## 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	
<b>RfR 1: Giving the public confidence in the integrity of charity</b>								
32,709	-	-	32,709	556	32,153	1,604	-	
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<i>Central Government spending</i>								
A Administration								
32,709		-	32,709	556	32,153	1,604	-	
<b>Total for Estimate:</b>								
32,709	-	-	32,709	556	32,153	1,604	-	

## Part II: Resource to cash reconciliation

	<u>Present</u>	<u>Increase (+)/ Decrease (-)</u>	<u>£'000</u> <u>Revised</u>
<b>Net total Resources</b>	<b>30,493</b>	<b>1,660</b>	<b>32,153</b>
<b>Voted capital items</b>			
Capital expenditure	1,399	205	1,604
<i>Less:</i> non-operating A in A	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net voted capital</b>	<b>1,399</b>	<b>205</b>	<b>1,604</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-88	-	-88
Depreciation	-650	-500	-1,150
New provisions and adjustments to previous provisions	-500	407	-93
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-180	-	-180
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	-40	-	-40
Increase(-)/decrease (+) in creditors	-50	86	36
Use of provisions	<u>90</u>	<u>-</u>	<u>90</u>
<b>Total accruals to cash adjustments</b>	<b>-1,418</b>	<b>-7</b>	<b>-1,425</b>
<b>Excess cash to be CFERd</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash requirement</b>	<b>30,474</b>	<b>1,858</b>	<b>32,332</b>

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

As in existing provision

## Forecast Operating Cost Statement

	£'000
	2005-06 provision
<b>Net Administration Costs</b>	
RfR 1	32,153
<b>Total Net Administration Costs</b>	<b>32,153</b>
<b>Net Programme Costs</b>	
RfR 1	-
<b>Total Net Programme costs</b>	-
<b>Total Net Operating Cost</b>	<b>32,153</b>
<i>of which:</i>	
<b>Net Resource Outturn</b>	<b>32,153</b>
CFERs	-
Non-voted expenditure	-
<b>Resource Budget Outturn</b>	<b>32,153</b>

## Notes to the Estimate

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

	£'000
	2005-06 Provision
<b>Net Resource Outturn (Estimates)</b>	<b>32,153</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 (CFERS) in the OCS	-
Other adjustments	-
<b>Net Operating Costs (Accounts)</b>	<b>32,153</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>32,153</b>
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	32,153
Annually Managed Expenditure (AME)	-

### Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2005-06 Provision
<b>Net Voted Capital Outturn (Estimates)</b>	<b>1,604</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>1,604</b>
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	1,604
Annually Managed Expenditure (AME)	-

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## 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.

<b>Request for Resources 1</b>	Andrew Hind, Chief Executive of the Charity Commission
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Andrew Hind, as the Principal Accounting Officer (PAO) of the Charity Commission has personal responsibility for the proper presentation of the Charity Commission'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 RfR, remains in general overall charge of the Charity Commission.

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 Charity Commission's policies, aims, and objectives; and should regularly review the effectiveness of that system.

## Notes to the Estimate (*continued*)

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

	£'000	
	2005-06 Provision	
	Operating A in A	Non operating A in A
<b>RfR 1: Giving the public confidence in the integrity of charity</b>		
Sales of copies of documents, etc.	20	-
Funds remitted by the Foreign and Commonwealth Office in respect of the Departments' joint International Outreach project	536	-
<b>Total RfR 1</b>	<b>556 *</b>	<b>-</b>
*Amount that may be applied as appropriations in aid in addition to the net total, arising from the sale of copies of documents, and amounts which relate to the Foreign and Commonwealth Office/Charity Commission joint International Outreach project.		
<b>Total A in A</b>	<b>556</b>	<b>-</b>
<i>of which: Administration budgets</i>	<i>556</i>	<i>-</i>

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## Notes to the Estimate (*continued*)

### Departmental Expenditure Limits and Administration Budgets

As announced to the House of Commons, the Charity Commission's Departmental Expenditure Limit will change as follows:

	Change	New DEL		£'000
		Voted	Non-voted	Total
Resource	1,660	32,153	-	32,153
<i>of which :Administration Budget</i>	<i>1,660</i>	<i>32,153</i>	<i>-</i>	<i>32,153</i>
Capital	205	1,604	-	1,604
Depreciation*	-500	-1,150	-	-1,150
Total	1,365	32,607	-	32,607

*\*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.*

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### 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	556

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