

Presented pursuant to C.43, Sch. 5(20) (3) of the Crown Agents Act 1979

Crown Agents Holding and Realisation Board Account 2004

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Contents

	Page
Foreword	2
Statement of Board Members' responsibilities	3
Statement on the System of Internal Control	4
The Certificate of the Comptroller and Auditor General	5
Report of the Comptroller and Auditor General	7
Revenue Statement	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Accounts	11
Chairman's Report	17
Appendix	19
Accounts Direction	21
Schedule	22

Foreword

The Crown Agents Holding and Realisation Board was established on 1 January 1980, by virtue of the Crown Agents Act 1979. The Board is charged with the duty

- to secure the realisation of the Board's assets and the assets of the Board's subsidiaries and the application of the proceeds in or towards discharging the liabilities of the Board and their subsidiaries;
- to secure that while any particular asset of the Board or any of the Board's subsidiaries remains unrealised, it is held and managed as advantageously as is consistent with their eventual realisation; and
- to discharge the liabilities of the Board and of each of their subsidiaries so far as not discharged in pursuance of paragraph (a).

Paragraph 14(2) of Schedule 5 to the Act provides that the Minister of Overseas Development (subsequently the Secretary of State for Foreign and Commonwealth Affairs, and now the Secretary of State for International Development) may direct the Board to pay any excess of revenue over the amount properly chargeable to the revenue account in any accounting year into the Consolidated Fund. However paragraphs 17 and 23 of Schedule 5 to the Act enable the Secretary of State, with the approval of the Treasury, to make a grant to the Board inter alia in the event and to the extent that the proceeds from the realisation of assets prove insufficient to discharge the liabilities of the Board and of their subsidiaries.

Paragraph 20 of Schedule 5 to the Act requires the Board and their subsidiaries to keep proper accounts and records and to prepare for each accounting year, ending on 31 December, a statement of accounts conforming to the best commercial standards and, subject to that, complying with any requirements in relation to content, presentation and preparation which the Secretary of State, with the approval of the Treasury, has notified to the Board. The statement of accounts is to be submitted to the Secretary of State at such time as he may direct, and the Secretary of State must then send each such statement to the Comptroller and Auditor General who is required to examine, certify and report on the statement and lay copies of the statement and his report on it before each House of Parliament.

The accounts have been prepared in accordance with the Crown Agents Act 1979 and comply with the requirements and directions which the Secretary of State has notified to the Board. The basis of preparation of accounts is set out in note 1 to the accounts.

The deficit for the year ended 31 December 2004 amounted to £950. No payments were made to the Consolidated Fund.

The Members of the Board during 2004 were

D H Probert CBE - Chairman
P F Berry CMG.

Statement of Board Members' responsibilities

The Board Members are required by the Crown Agents Act 1979 and by the Directions issued by the Secretary of State to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Board as at the end of the financial year and of the profit or loss for the financial year.

The Board Members consider that in preparing the financial statements on pages 8 to 16, the Board has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed.

The Board Members have responsibility for ensuring that the Board keeps accounting records which disclose with reasonable accuracy the financial position of the Board and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Board Members have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Board and to prevent and detect fraud and other irregularities.

Statement on the System of Internal Control

The Board Members acknowledge their responsibility for ensuring that an effective system of internal control is maintained and have reviewed the effectiveness of the operation of the system.

Any system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The financial and administrative affairs of the Board are managed by The Crown Agents for Oversea Governments and Administrations Limited and are subject to that company's internal control procedures.

The Board's internal control and monitoring procedures include

- clear responsibilities on the part of line and financial management for the maintenance of good controls and the production of accurate and timely financial management information;
- the control of key financial risks through published authority levels, which are kept under constant review, together with proper segregation of duties;
- regular reviews by the Board of periodic and annual financial reports; and
- comments made by the external auditors in their management letter and other reports.

David H Probert
27 July 2005

Peter F Berry
27 July 2005

The Certificate of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements on pages 8 to 16 under the Crown Agents Act 1979. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 11 and 12.

Respective responsibilities of the Board Members and Auditor

As described on page 3, the Crown Agents Holding and Realisation Board are responsible for the preparation of the financial statements and for ensuring the regularity of financial transactions. The Board are also responsible for the preparation of the Foreword. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Crown Agents Act and directions made thereunder by the Secretary of State, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Board have not kept proper financial accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on page 4 reflects the Board's compliance with the Treasury's guidance, 'Corporate governance: statement on the system of internal control'. I report if it does not meet the requirements specified by the Treasury, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements.

Basis of opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion

- the financial statements give a true and fair view of the state of affairs of the Crown Agents Holding and Realisation Board at 31 December 2004 and of the deficit, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Crown Agents Act 1979 and directions made thereunder by the Secretary of State; and
- in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

My report on the financial statements is attached.

John Bourn
Comptroller and Auditor General

5 October 2005

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Report of the Comptroller and Auditor General

Under the Crown Agents Act 1979, the duty of the Crown Agents Holding and Realisation Board, subject to the instructions of the Secretary of State, is to realise their assets and those of their subsidiaries and to apply the proceeds towards discharging their liabilities. Meanwhile, the Board are to manage the assets as advantageously as is consistent with their eventual realisation. The Board also has a duty to discharge any liabilities which may remain after applying all the proceeds of their realised assets. Schedule 5 to the Act enables the Secretary of State to make a grant for this purpose.

The assets managed by the Board comprise investments in a number of miscellaneous companies and bodies, most of which are in the hands of liquidators or receivers. As indicated in Note 1 of the Accounts, the Board consider that the going concern basis is not appropriate to their Accounts, which they have therefore prepared so as to reflect their best assessment of the net realisation value of their assets. The Accounts are not consolidated on a group basis because the adjustments required in respect of the Board's subsidiary companies are considered by the Board to be not material (Note 2a). I concur with both these views.

John Bourn
Comptroller and Auditor General

5 October 2005

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Revenue Statement for the year ended 31 December 2004

	Notes	2004 £'000	2003 £'000
Gross income		0	0
Administration and other expenses	3	(13)	(34)
Operating deficit before other interest and provisions		(13)	(34)
Interest receivable			
On bank deposits		12	9
		(1)	(25)
Net movement on provisions	4	0	0
Net deficit for year transferred to reserves		(1)	(25)

There are no recognised gains and losses in 2004 and 2003 other than the net revenue loss for the year.

Balance Sheet as at 31 December 2004

	Notes	2004 £'000	2004 £'000	2003 £'000	2003 £'000
Fixed assets					
<i>Investments</i>					
Subsidiary company	5		0		0
Other loans	6		13		13
			<u>13</u>		<u>13</u>
Current assets					
Cash at bank and in hand	7	1,734		1,739	
Debtors		0		0	
		<u>1,734</u>		<u>1,739</u>	
<i>Less</i>					
Current liabilities					
Creditors - due within one year			(5)	(9)	
			<u>(5)</u>	<u>(9)</u>	
Net current assets			<u>1,729</u>		<u>1,730</u>
Total assets less current liabilities			<u>1,742</u>		<u>1,743</u>
Capital and reserves					
<i>Revenue reserve</i>					
Balance brought forward			1,743		1,768
Surplus\ (deficit) for year			(1)		(25)
			<u>1,742</u>		<u>1,743</u>

These accounts were approved by the Board of the Crown Agents Holding and Realisation Board at their meeting on 27 July 2005 and are signed on their behalf by

David H Probert
Chairman

Peter F Berry

Cash Flow Statement for the year ended 31 December 2004

	2004 £'000	2003 £'000
Net cash outflow from operating activities	(16)	(43)
Returns on investments		
Interest received	11	9
Investing activities		
Realisation of investment	0	0
Increase/(reduction) in cash	(5)	(34)

Notes to the Cash Flow Statement

1 Reconciliation of operating deficit to net cash (outflow) from operating activities

	2004 £'000	2003 £'000
Operating deficit	(12)	(34)
Increase/(decrease) in creditors	(4)	(9)
Net cash outflow from operating activities	(16)	(43)

2 Analysis of changes in cash during the year

	2004 £'000	2003 £'000
Balance at 1 January	1,739	1,773
Net cash inflow/(outflow)	(5)	(34)
Balance at 31 December	1,734	1,739

Notes to the Accounts

1 Basis of preparation of accounts

The Crown Agents Holding and Realisation Board ('the Board') was incorporated on 1 January 1980, by virtue of the Crown Agents Act 1979. The Board took over the assets, liabilities and activities covered by the Realisation Account of the unincorporated Crown Agents for Overseas Governments and Administrations. The Board took over these assets at book value as at 1 January 1980. For convenience, in certain of the notes, the original cost to the unincorporated Crown Agents and accumulated provisions are shown. Thus the Board's assets consist of the investments in and advances in respect of those activities from which the unincorporated Crown Agents were required to disengage in accordance with directions issued by the Minister of Overseas Development. The duty of the Board is

- a to secure the realisation of the Board's assets and those of their subsidiaries and to apply the proceeds towards discharging their liabilities;
- b to secure that, pending realisation, any asset of the Board and their subsidiaries is held and managed as advantageously as is consistent with its eventual realisation; and
- c to discharge the liabilities of the Board and of their subsidiaries insofar as these are not discharged by the application of the proceeds of their realised assets.

The function of the Board is to wind up their affairs in an orderly fashion. The Act enables the Secretary of State for Foreign and Commonwealth Affairs to meet a grant to the extent that the proceeds from the realisation of assets, referred to in (c) above, proves insufficient. During 1982 the Board sold the Australian subsidiary, Abbey Capital Holdings Limited, which represents the greater part of the assets of the Board and their subsidiaries. As in previous years the Board do not consider that the going concern basis of accounting is appropriate.

The accounts have been drawn up in accordance with the Crown Agents Act 1979 and comply with the requirements and directions which the Secretary of State has notified to the Board. The ministerial direction dealing with the form and contents of the accounts is at Appendix 1.

2 Accounting policies

a *Basis of accounting*

The accounts deal with the assets, liabilities and results of the operations of the Board. Consolidated accounts have not been prepared as consolidation adjustments are not considered material (See Note 8).

b *Foreign currencies*

Assets, liabilities, and surpluses and deficits in foreign currencies are expressed in sterling at the exchange rates ruling at the year end. Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. All profits and losses arising on foreign currencies are taken into account in arriving at the surplus/deficit for the year.

c *Tax*

Under the Crown Agents Act 1979 the Board and its subsidiaries are exempt from UK Corporation Tax.

d *Investments in subsidiaries*

Investment holdings in subsidiary companies are valued at cost less provision for diminution in value.

e Other loans

Specific provisions for doubtful debts are made when ultimate recovery is considered doubtful. Debts owed by companies in liquidation or receivership are written off in the books when the final statements are received or when the Board is advised that no further receipt is likely. Any recovery of debts written off is accounted for as revenue.

f Interest and other income

This comprises interest received from borrowers and income from secured assets. Interest receivable from borrowers whose capacity to repay is doubtful is not accrued and is treated as income only when actually received. Provision for possible defaults has been made in respect of interest which was accrued but is now considered unlikely to be received. This treatment is followed for conservative accounting purposes and does not imply any mitigation of claims against debtors.

3 Administrative and other expenses

This includes

	2004 £'000	2003 £'000
Management charges for the year	14	14
Auditors remuneration	4	4
Legal and professional expenses	(5)	6
Payment of property taxes	0	10
	13	34

None of the members of the Board received any remuneration during the year (2003: Nil).

4 Net movement on provisions

This consists of

	2004 £'000	2003 £'000
<i>Decrease/(increase) in provisions against</i>		
Other loans	0	0

5 Subsidiary companies

	2004 £'000	2003 £'000
Amounts due	18,901	18,901
Less Provisions	(18,901)	(18,901)
Balance at 31 December	0	0

Details of the subsidiary companies are set out in note 8. For reasons explained in note 8(b), amounts due from a subsidiary totalling £32.379m (2003: £32.379m) are included under other loans as are provisions totalling £32.379m (2003: £32.379m).

6 Other loans

	2004 £'000	2003 £'000
Gross book value	32,392	32,392
Less Provisions	(32,379)	(32,379)
	13	13

The movement during the year can be summarised as follows

	2004 £'000	2003 £'000
Net book value as at 1 January	13	13
Repayments during the year	0	0
Estimated realisable value as at 31 December	13	13

These loans were made to property companies, secondary banking and financial institutions and other borrowers prior to 1975. They form part of the investments which the Board are in the process of realising.

The loans and provisions may be analysed as follows

	2004		2003	
	Provisions		Provisions	
	Amount owed £'000	Provision for losses £'000	Amount owed £'000	Provision for losses £'000
The Board's loans to				
Property companies	32,379	32,379	32,379	32,379
Secondary banks	13	0	13	0
	32,392	32,379	32,392	32,379

Because of the magnitude of advances, together with the continuing difficult nature of some of the situations to which the Board is committed, it is inevitable that the final amounts which will be recovered cannot yet be precisely calculated.

7 Cash at bank

	2004 £'000	2003 £'000
Bank balances and deposits at call	469	474
Deposit with HM Government	1,265	1,265
	1,734	1,739

The deposits with HM Government were made in accordance with the instructions issued by the Secretary of State for Foreign and Commonwealth Affairs (now the Secretary of State for International Development) and are non-interest bearing.

8 The subsidiary companies

The subsidiary companies are as follows

Name	Country of incorporation	Class of share hold	Direct or indirect interest of the Board on 31 December 2004 and 2003 (per cent)
Four Millbank Investments Ltd	England	Ordinary	100
English and Continental Property Company Ltd	England	Ordinary Preference	51 51

- a The accounts of Four Millbank Investments Ltd have not been consolidated as the consolidation adjustments are not considered material. The Assets and Liabilities of Four Millbank Investments Ltd were assigned to the Board as at 31 December 1991 which enabled Four Millbank Investments Ltd to be placed in dormant status.
- b English and Continental Property Company Ltd is in voluntary liquidation and the Board is of the opinion that the shares in the company have no worth. As the Board's interest in the company is principally in respect of advances, these advances are included in Other Loans.

9 Contingent liabilities and guarantees

There may be a liability in respect of proving title to the mortgage held over land in the Bahamas.

10 Summary of realisation account

The following tables show an historical summary of movements in the Board and its subsidiaries' assets and liabilities (formerly those of the Realisation Account) since the setting up of that account with effect from 1 January 1975. Although the subsidiary company's accounts are not consolidated in the Board's accounts (see note 2(a)), for the purpose of this note, the figures include amounts written off and repayments reflected in the accounts of the subsidiary.

	31 December 2004 £'000	1 January 1975 £'000
Investments in subsidiaries	400	843
Other investments: gross book value	0	21,826
Other loans	32,392	219,630
Investments in properties: gross book value	0	6,193
	32,792	248,492
Provision for losses and fall in value	(32,779)	(123,630)
	13	124,862
Other assets less other liabilities	1,729	(24,154)
Amount due to Crown Agents	0	(139,702)
(Deficit)/surplus (the figure for January 1975 is after grant and capital reserve and that for 31 December 2004 is after further grant)	1,742	(38,994)

The movement in the amounts outstanding in respect of the principal assets has been

	Investments in subsidiaries	Other investments	Other loans	Investments in properties/ leasing assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Balance at 1 January 1975	843	21,826	219,630	6,193	248,492
Further sums invested/advanced	5,657	18,873	65,420	13,627	103,577
	<u>6,500</u>	<u>40,699</u>	<u>285,050</u>	<u>19,820</u>	<u>352,069</u>
Adjustments in respect of prior years	0	1,715	0	0	1,715
Reclassification as a subsidiary	4,312	(4,312)	0	0	0
Adjustments arising on consolidation	0	0	(67,162)	141,424	74,262
Costs to completion	0	0	0	39,136	39,136
Repayment/sales: at book value (including gain on exchange)	(5,776)	(10,301)	(105,234)	(263,114)	(384,425)
Increase in valuation	0	0	435	64,144	64,579
Amounts written off	(4,636)	(27,801)	(80,697)	(1,410)	(114,544)
	<u>400</u>	<u>0</u>	<u>32,392</u>	<u>0</u>	<u>32,792</u>
Provision for losses and falls in value					
Balance at 1 January 1975	843	10,506	111,215	1,066	123,630
Additions including direct write off	5,073	19,892	1,861	344	27,170
	<u>5,916</u>	<u>30,398</u>	<u>113,076</u>	<u>1,410</u>	<u>150,800</u>
Adjustments in respect of prior years	0	1,715	0	0	1,715
Reclassification as a subsidiary	4,312	(4,312)	0	0	0
Adjustment arising on consolidation	(5,192)	0	0	0	(5,192)
Amount written off as above	(4,636)	(27,801)	(80,697)	(1,410)	(114,544)
	<u>400</u>	<u>0</u>	<u>32,379</u>	<u>0</u>	<u>32,779</u>

Further sums advanced in respect of Other Loans relate to commitments entered into before October 1974. The further sums invested in other areas do not represent new ventures, but are amounts expended in furtherance of the policy of divestment in order to minimise losses which would otherwise have been incurred. Reclassification relates to investments in which the unincorporated Crown Agents' interest was increased to over 50 per cent in order to gain control for purposes of facilitating divestment. These investments are shown as subsidiary companies. The sale of the assets relating to the subsidiary companies in Australia is reflected in this table, giving rise to the adjustments on consolidation. The change from deficit to surplus in the Realisation Account during the twenty eight years from 1975 to 2004 can be summarised as follows

	£'000	£'000	£'000
Deficit as at 1 January 1975			(38,994)
<i>Add</i> Government grant received in 1974			(85,000)
			<u>(123,994)</u>
Interest cost		(122,923)	
Extra provisions for losses		(27,093)	
		<u>(150,016)</u>	
<i>Less</i> Miscellaneous income	132,330		
Increase in valuation of Australian properties	64,144		
	<u>196,474</u>		
<i>Less</i> Charge	(29,431)		
		<u>167,043</u>	
		17,027	
<i>Less</i> Adjustment re sale of Australian subsidiary		<u>(46,080)</u>	
			<u>(29,053)</u>
<i>Less</i> Transfer of reserves			(153,047)
			<u>16,800</u>
Deficit before Government grants			(136,247)
Government grants received in 1974 and 1978		175,000	
<i>Less</i> Amounts repaid to HM Government		<u>(37,011)</u>	
			<u>137,989</u>
Surplus as at 31 December 2004			<u>1,742</u>

Chairman's Report for 2004

The Board came into existence on 1 January 1980 and assumed responsibility for the assets and liabilities of the Realisation Account of the unincorporated Crown Agents, together with the liabilities for external borrowing which were financing the Realisation Account but were held in the name of the unincorporated Crown Agents. Consequently as from that date, the Board became a separate entity from the incorporated Crown Agents. The Board was created under the terms of the Crown Agents Act 1979 Section 25 which defines its duties as follows

- a to secure the realisation of the Board's assets and the assets of the Board's subsidiaries and the application of the proceeds in or towards discharging the liabilities of the Board or its subsidiaries;
- b to secure that while any particular asset of the Board or any of the Board's subsidiaries remain unrealised, it is held and managed as advantageously as is consistent with its eventual realisation; and
- c to discharge the liabilities of the Board and of each of its subsidiaries so far as not discharged in pursuance of paragraph (a).

The majority of the Board's assets relate to companies in the property and secondary banking sector which are in the hands of liquidators or receivers.

The sale of the last of the remaining properties in the United Kingdom by the Board as mortgagee took place in 1984.

Since 1 January 1980 realisations can be summarised as follows

	Loans £m	Other assets £m
1980	1.6	0.0
1981	1.3	0.0
1982	3.8	192.2
1983	1.5	0.8
1984	6.1	0.0
1985	0.1	0.0
1986	0.5	0.0
1987	0.6	0.0
1988	0.1	0.0
1989	0.1	0.0
1990	0.1	0.0
1991	0.1	0.0
1992	0.1	0.0
1993-1994	0.0	0.0
1995	0.1	0.0
1996	0.2	0.0
1997-2004	0.0	0.0
	<u>16.3</u>	<u>193.3</u>

Realisations from loans consist of dividends from liquidators and receivers as well as the proceeds of the sale of properties charged to the Board as security for loans. The realisation of assets in 1982 consisted mainly of the sale of the Australian property portfolios. This sale was achieved by way of the sale of shares of the Australian property holding company at its net asset value. After repaying all the borrowings and other liabilities associated with the sale, both in Australia and the United Kingdom, the Board was able to repay about £17 million to HM Government. Payment to HM Government from recoveries from all other sources amounted to £5 million up to the end of 1996 and a further £15 million was repaid in March 1997. In addition at the year end there was £1.265 million on interest-free deposits with HM Government which was available for repayment to HM Government subject to the satisfactory conclusion of the remaining liquidations.

There were no recoveries during 2004. The Board's remaining investments have an estimated book value of £13,000. The only properties still available for disposal are in the Bahamas and Northern Cyprus and are stated at a nominal value. Those in the Bahamas are subject to a conditional offer from the Bahamas Government, which is being pursued by the Board.

The Board's 2004 accounts, which will be laid before Parliament in accordance with paragraph 20(a) of Schedule 5 to the Crown Agents Act 1979, have been prepared in accordance with the Act and comply with the requirements and Directions that the Secretary of State for International Development has notified to the Board. Consolidated accounts have not been prepared as consolidation adjustments are not considered material. The Directions made to the Board by the Secretary of State are set out in the attached Appendix.

The Members of the Board in 2004 were

D H Probert CBE - Chairman
P F Berry CMG

David H Probert
Chairman
Crown Agents Holding and Realisation Board

Appendix

Crown Agents Act 1979

The following directions have been issued on behalf of the Secretary of State for Foreign and Commonwealth Affairs (now the Secretary of State for International Development) in accordance with the Crown Agents Act 1979

Direction No 4: Holding and Realisation Board's Annual reports

(Dated 27 October 1980)

In pursuance of paragraph 11 of Schedule 5 to the Crown Agents Act 1979 ('The Act') I am directed by the Secretary of State for Foreign and Commonwealth Affairs to say that he directs that the time within which the annual report referred to in Section 11 (1) of the Act, as applied to the Board by paragraph 11 of Section 5 shall be made to him is 31 May following the end of the accounting year to which the report relates. He further directs that each report so made shall be made not later than the date upon which the statement of accounts to be prepared in respect of the same accounting year by the Board under paragraph 20 (1) of Schedule 5 to the Act, is submitted to the Secretary of State in accordance with any direction made by him under the paragraph 20 (2) of Schedule 5 to the Act.

The Secretary of State also directs that each report so made shall include a general section dealing with the matters referred to in Section 11 (1) of the Act, as applied to the Board by paragraph 11 of Schedule 5, and in addition shall include a review of the progress made in realising the Board's assets, and of its financial position as shown in the Statement of Accounts.

Direction No 6: Holding and Realisation Board's Annual Accounts

(Dated 1 May 1981)

In pursuance of paragraph 20 (2) of Schedule 5 to the Crown Agents Act 1979, I am directed by the Secretary of State for Foreign and Commonwealth Affairs to say that he directs that every statement of accounts prepared by the Crown Agents Holding and Realisation Board in pursuance of the provisions applied by paragraph 20 (1) of Schedule 5 to that Act shall be submitted to him not later than two weeks before the end of the month of May following the accounting year to which the statement relates.

Direction No 9: Payment of Surplus Revenue of Board

(Dated 8 March 1983)

In pursuance of paragraph 14(2) of Schedule 5 to the Crown Agents Act 1979, I am directed by the Secretary of State for Foreign and Commonwealth Affairs to say that, with the approval of the Treasury, he directs the Board to pay forthwith into the Consolidated Fund, out of the excess of revenue of the Board surplus to its requirements for the accounting year end 31 December 1982, the sum of £1,250,000 (One million, two hundred and fifty thousand pounds) retained for the time being in the Moneys Payable to the Exchequer Deposit Account.

Direction No 10: Payment of Surplus Revenue of Board

(Dated 7 March 1983)

In pursuance of paragraph 14(2) of Schedule 5 to the Crown Agents Act 1979, I am directed by the Secretary of State for Foreign and Commonwealth Affairs to say that, with the approval of the Treasury, he directs the Board to pay forthwith into the Consolidated Fund, out of the excess of revenue of the Board surplus to its requirements for the accounting year ended 31 December 1982, the sterling equivalent of the sum of A\$150,000 (One hundred and fifty thousand Australian dollars).

Direction No 11: Payment of Surplus Revenue of Board

(Dated 12 January 1984)

In pursuance of paragraph 14(2) of Schedule 5 to the Crown Agents Act 1979, I am directed by the Secretary of State for Foreign and Commonwealth Affairs to say that, with the approval of the Treasury, he directs the Board to pay forthwith into the Consolidated Fund, out of the excess of revenue of the Board surplus to its requirements for the accounting year ended 31 December 1983, the sum of £325,000 (Three hundred and twenty five thousand pounds).

Direction No 12: Payment of Surplus Revenue of Board

(Dated 16 March 1984)

In pursuance of paragraph 14(2) of Schedule 5 to the Crown Agents Act 1979, I am directed by the Secretary of State for Foreign and Commonwealth Affairs to say that, with the approval of the Treasury, he directs the Board to pay forthwith into the Consolidated Fund, out of the excess of revenue of the Board surplus to its requirements for the accounting year ended 31 December 1983, the sterling equivalent of the sum of US\$227,078.40 (Two hundred and twenty seven thousand and seventy eight United States dollars and forty cents).

Direction No 19: Payment of Surplus Revenue of Board

(Dated 14 March 1997)

In pursuance of paragraph 14(2) of Schedule 5 to the Crown Agents Act 1979, the Secretary of State for Foreign and Commonwealth Affairs having consulted the Board and with the approval of the Treasury hereby directs the Board to pay forthwith into the Consolidated Fund out of the excess of revenue of the Board surplus to its requirements for accounting years up to and including the accounting year ending 31 December 1995 the sum of £15,000,000 held for the time being in Ways and Means Deposit Account No 3265.

Crown Agents Holding and Realisation Board: Direction Relating to the Accounts (Direction No. 18)

In pursuance of sections 22(1) to 22(4) of the Crown Agents Act 1979 ('The Act') as applied to the Crown Agents Holding and Realisation Board ('The Board') by paragraph 20(1) of Schedule 5 to the Act, the Secretary of State for Foreign and Commonwealth Affairs, with the approval of Treasury, hereby give the following Direction

- 1 The statement of accounts which it is the duty of the Board to prepare in respect of the financial year ended 31 December 1992 and in respect of any subsequent financial year of the Act shall comprise
 - a in respect of the Board
 - a revenue account;
 - a balance sheet; and
 - a cash flow statement.
 - b in respect of the Board and those of its subsidiaries dealt with in the consolidated accounts
 - a consolidated revenue accounts;
 - a consolidated balance sheet; and
 - a consolidated cash flow statement.

including in each case such notes as may be necessary for the purpose referred to in paragraph 2 below.

- 2 The accounts referred to above shall give a true and fair view of the profit or loss, state of affairs and (notwithstanding the reference in section 22(1) of the Act to source and application of funds) cash flow of the Board and its subsidiaries. Subject to the foregoing requirement, the statement of accounts shall also, without limiting the information given, meet, insofar as they are appropriate to the functions and activities of the Board
 - a the accounts requirements of the Companies Act for the time being in force; and
 - b best commercial accounting practices including accounting standards issued or adopted by the Accounting Standards Board.
- 3 The statement referred to in paragraph 1 above shall also include the supplementary information set out in the Schedule to this direction.
- 4 Notwithstanding the requirement in paragraph 2 above, consolidated accounts need not be prepared where the consolidation adjustments are deemed to be immaterial.
- 5 On and from the date shown below, this direction supercedes the Direction No 14, dated 15 April 1987, as amended.

KD Grimshaw
Overseas Development Administration
Foreign and Commonwealth Office

14 May 1993

Schedule

Supplementary information to be provided in the accounts of the Crown Agents Holding and Realisation Board for the year ended 31 December 1992 and subsequent years

- 1 a note showing the basis for preparation of the accounts and the duties and functions of the Crown Agents Holding and Realisation Board;
- 2 a note showing the breakdown of freehold and leasehold properties;
- 3 a note showing the movement in the provision made for falls in value of other investments;
- 4 a note showing the breakdown of bank balances held at call and on short-term deposits;
- 5 a note analysing net movement made on provisions;
- 6 a note showing the Board's guaranteed commitment position; and
- 7 a note showing an historic summary of movements in the Realisation Account from its commencement at 1 January 1975.

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