
Export Credits Guarantee Department

Introduction

1. This Estimate covers the planned budgetary expenditure of the Export Credits Guarantee Department (ECGD) and its support of UK exporters.
2. The RDEL requested is to cover the running costs of the Department and is a net expense.
3. Income received by ECGD in the course of supporting exporters scores against its Annually Managed Expenditure (AME). In 2013-14 income will predominately be premium earned, interest on claims and the recovery of the interest and principal of the loan to GEFCO (Guaranteed Export Finance Corporation).
4. Capital AME expenditure is for the first year of the direct lending scheme which was announced by the Chancellor in the Autumn Statement 2012.

Part I

£

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	22,065,000	-	22,065,000
Capital	230,000	-	230,000
Annually Managed Expenditure			
Resource	49,337,000	-	49,337,000
Capital	294,508,000	-	294,508,000
Total Net Budget			
Resource	71,402,000	-	71,402,000
Capital	294,738,000	-	294,738,000
Non-Budget Expenditure	-		
Net cash requirement	100,231,000		

Amounts required in the year ending 31 March 2014 for expenditure by Export Credits Guarantee Department on:

Departmental Expenditure Limit:Expenditure arising from:

The running of ECGD's operational activities (operating costs of the Department).

Income arising from:

The sub-let of surplus office space and some underwriting activity.

Annually Managed Expenditure:Expenditure arising from:

Arrangements made by ECGD in connection with exports of goods and services and overseas investments and expenditure arising from the creation of and increase in provisions related to ECGD's operational activities.

Income arising from:

Arrangements made by ECGD in connection with exports of goods and services and overseas investors from the UK and income arising from the release of and decrease in provisions related to ECGD's operational activities.

Export Credits Guarantee Department will account for this Estimate.

£

	Voted Total	Allocated in Vote on Account	Balance to complete or surrender
Departmental Expenditure Limit			
Resource	22,065,000	10,421,000	11,644,000
Capital	230,000	180,000	50,000
Annually Managed Expenditure			
Resource	49,337,000	-	49,337,000
Capital	294,508,000	144,000,000	150,508,000
Non-Budget Expenditure	-	-	-
Net cash requirement	100,231,000	-	100,231,000

Part II: Subhead detail

£'000

2013-14 Plans									2012-13 Provisions	
Resources						Capital			Resources	Capital
Administration			Programme			Gross	Income	Net	Net	Net
Gross	Income	Net	Gross	Income	Net					
1	2	3	4	5	6	7	8	9	10	11
Spending in Departmental Expenditure Limits (DEL)										
Voted expenditure										
35,011	-12,946	22,065	-	-	-	230	-	230	22,858	700
<i>Of which:</i>										
A Export Credit Guarantees and Investments										
35,011	-12,946	22,065	-	-	-	230	-	230	22,858	700
Total Spending in DEL										
35,011	-12,946	22,065	-	-	-	230	-	230	22,858	700
Spending in Annually Managed Expenditure (AME)										
Voted expenditure										
-	-	-	210,925	-161,588	49,337	320,000	-25,492	294,508	-584	-31,935
<i>Of which:</i>										
B Export Credits										
-	-	-	202,580	-151,686	50,894	-	-	-	3,432	-
C Fixed Rate Export Finance / Export Finance Assistance										
-	-	-	7,000	-719	6,281	-	-	-	6,304	-
D GEFCO Loans and Interest Equalisation										
-	-	-	1,345	-9,183	-7,838	-	-25,492	-25,492	-10,320	-31,935
E Direct Lending										
-	-	-	-	-	-	320,000	-	320,000	-	-
Total Spending in AME										
-	-	-	210,925	-161,588	49,337	320,000	-25,492	294,508	-584	-31,935
Total for Estimate										
35,011	-12,946	22,065	210,925	-161,588	49,337	320,230	-25,492	294,738	22,274	-31,235
<i>Of which:</i>										
Voted Expenditure										
35,011	-12,946	22,065	210,925	-161,588	49,337	320,230	-25,492	294,738	22,274	-31,235
Non Voted Expenditure										
-	-	-	-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	2013-14 Plans	2012-13 Provisions	2011-12 Outturn
Net Resource Requirement	71,402	22,274	-147,418
Net Capital Requirement	294,738	-31,235	-51,559
Accruals to cash adjustments	-265,909	-184,254	-44,186
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-800	-800	-619
New provisions and adjustments to previous provisions	-165,549	-73,273	-13,729
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-35,518	-37,673	855
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	17,657	19,949	1,762
Increase (-) / Decrease (+) in creditors	-81,699	-92,457	-32,455
Use of provisions	-	-	-
Removal of non-voted budget items	-	-	-
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	100,231	-193,215	-243,163

Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

	2013-14 Plans	2012-13 Provisions	2011-12 Outturn
Gross Administration Costs	35,011	28,752	22,913
<i>Less:</i>			
Administration DEL Income	-12,946	-5,894	-1,055
Net Administration Costs	22,065	22,858	21,858
Gross Programme Costs	210,925	121,091	33,887
<i>Less:</i>			
Programme DEL Income	-	-	-
Programme AME Income	-161,588	-121,675	-203,163
Non-budget income	-	-	-
Net Programme Costs	49,337	-584	-169,276
Total Net Operating Costs	71,402	22,274	-147,418
<i>Of which:</i>			
Resource DEL	22,065	22,858	21,858
Capital DEL	-	-	-
Resource AME	49,337	-584	-169,276
Capital AME	-	-	-
Non-budget	-	-	-
<i>Adjustments to include:</i>			
Departmental Unallocated Provision (resource)	-	-	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-	-	-
<i>Adjustments to remove:</i>			
Capital in the SoCNE	-	-	-
Grants to devolved administrations	-	-	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-	-	-
Other adjustments	-	-	-
Total Resource Budget	71,402	22,274	-147,418
<i>Of which:</i>			
Resource DEL	22,065	22,858	21,858
Resource AME	49,337	-584	-169,276
<i>Adjustments to include:</i>			
Grants to devolved administrations	-	-	-
Prior period adjustments	-	-	-
<i>Adjustments to remove:</i>			
Consolidated Fund Extra Receipts in the resource budget	-	-	-
Other adjustments	-	-	-
Total Resource (Estimate)	71,402	22,274	-147,418

Part III: Note B - Analysis of Departmental Income

£'000

	2013-14 Plans	2012-13 Provision	2011-12 Outturn
Voted Resource DEL	-12,946	-5,894	-1,055
<i>Of which:</i>			
Administration			
Sales of Goods and Services	-11,799	-5,000	-229
<i>Of which:</i>			
A Export Credit Guarantees and Investments	-11,799	-5,000	-229
Other Income	-1,147	-894	-826
<i>Of which:</i>			
A Export Credit Guarantees and Investments	-1,147	-894	-826
Total Administration	-12,946	-5,894	-1,055
Voted Resource AME	-161,588	-121,675	-203,163
<i>Of which:</i>			
Programme			
Sales of Goods and Services	-151,686	-89,932	-84,792
<i>Of which:</i>			
B Export Credits	-151,686	-89,932	-84,792
Interest and Dividends	-9,902	-31,743	-65,699
<i>Of which:</i>			
B Export Credits	-	-19,254	-35,229
C Fixed Rate Export Finance / Export Finance Assistance	-719	-696	-17,877
D GEFCO Loans and Interest Equalisation	-9,183	-11,793	-12,593
Other Income	-	-	-52,672
<i>Of which:</i>			
B Export Credits	-	-	-52,672
Total Programme	-161,588	-121,675	-203,163
Total Voted Resource Income	-174,534	-127,569	-204,218
Voted Capital AME	-25,492	-31,935	-51,886
<i>Of which:</i>			
Programme			
Repayments	-25,492	-31,935	-51,886
<i>Of which:</i>			
D GEFCO Loans and Interest Equalisation	-25,492	-31,935	-51,886
Total Programme	-25,492	-31,935	-51,886
Total Voted Capital Income	-25,492	-31,935	-51,886

Part III: Note C - Analysis of Consolidated Fund Extra Receipts

No CFER income or receipts are expected in 2013-14, 2012-13 or 2011-12.

Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

Accounting Officer: David Havelock

David Havelock has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.