
Office of Fair Trading

Introduction

1. The Office of Fair Trading (OFT) is an independent consumer protection and competition authority. Its goal is to make markets work well for consumers. This is achieved by enforcing competition and consumer protection law, investigating markets and through an active communications strategy. This Estimate covers the planned budgetary expenditure and income of the Office of Fair Trading.

Part I

£

| | Voted | Non-Voted | Total |
|---------------------------------------|-------------------|-----------|------------|
| Departmental Expenditure Limit | | | |
| Resource | 39,065,000 | - | 39,065,000 |
| Capital | 602,000 | - | 602,000 |
| Annually Managed Expenditure | | | |
| Resource | - | - | - |
| Capital | - | - | - |
| Total Net Budget | | | |
| Resource | 39,065,000 | - | 39,065,000 |
| Capital | 602,000 | - | 602,000 |
| Non-Budget Expenditure | - | | |
| Net cash requirement | 37,011,000 | | |

Amounts required in the year ending 31 March 2014 for expenditure by Office of Fair Trading on:

Departmental Expenditure Limit:Expenditure arising from:

Advancing and safeguarding the economic interests of UK consumers; enforcing competition and consumer law, including payment for information; analysing and monitoring markets; merger control; licensing and supervision work in the consumer credit and estate agency markets, including anti-money laundering supervision; advocacy; information, education and advice; administrative and operational costs; associated depreciation and any other non-cash items falling in DEL.

Income arising from:

Recovery of legal costs, fees for common services provided to other departments, contributions from other departments towards the costs of market studies, recoveries of VAT, recoveries of salaries of staff on loan or seconded to outside bodies, sale of plant and machinery, Consumer credit Licence fees, Anti Money Laundering fees, BIS funding for CMA transition costs, payments from Home Office under the recovered assets incentivisation scheme, payments for information and publications, private telephone calls, vending machines, postal and bank charge recoveries and income from short-term office space rental.

Office of Fair Trading will account for this Estimate.

| | Voted Total | Allocated in Vote on Account | Balance to complete or surrender |
|---------------------------------------|--------------------|---|---|
| £ | | | |
| Departmental Expenditure Limit | | | |
| Resource | 39,065,000 | 21,710,000 | 17,355,000 |
| Capital | 602,000 | 301,000 | 301,000 |
| Annually Managed Expenditure | | | |
| Resource | - | 225,000 | -225,000 |
| Capital | - | - | - |
| Non-Budget Expenditure | - | - | - |
| Net cash requirement | 37,011,000 | 20,889,000 | 16,122,000 |

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 | | | | | | | | | | |
| 16,245 | -1,913 | 14,332 | 37,947 | -13,214 | 24,733 | 602 | - | 602 | 56,764 | 669 |
| <i>Of which:</i> | | | | | | | | | | |
| A Administration | | | | | | | | | | |
| 16,245 | -1,913 | 14,332 | 37,947 | -13,214 | 24,733 | 602 | - | 602 | 56,764 | 669 |
| Total Spending in DEL | | | | | | | | | | |
| 16,245 | -1,913 | 14,332 | 37,947 | -13,214 | 24,733 | 602 | - | 602 | 56,764 | 669 |
| Spending in Annually Managed Expenditure (AME) | | | | | | | | | | |
| Voted expenditure | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 45,300 | - |
| <i>Of which:</i> | | | | | | | | | | |
| <i>Provisions In AME</i> | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 45,300 | - |
| Total Spending in AME | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | 45,300 | - |
| Total for Estimate | | | | | | | | | | |
| 16,245 | -1,913 | 14,332 | 37,947 | -13,214 | 24,733 | 602 | - | 602 | 102,064 | 669 |
| <i>Of which:</i> | | | | | | | | | | |
| Voted Expenditure | | | | | | | | | | |
| 16,245 | -1,913 | 14,332 | 37,947 | -13,214 | 24,733 | 602 | - | 602 | 102,064 | 669 |
| Non Voted Expenditure | | | | | | | | | | |
| - | - | - | - | - | - | - | - | - | - | - |

Part II: Resource to cash reconciliation

£'000

| | 2013-14 Plans | 2012-13 Provisions | 2011-12 Outturn |
|--|------------------|-----------------------|--------------------|
| Net Resource Requirement | 39,065 | 102,064 | 61,989 |
| Net Capital Requirement | 602 | 669 | 590 |
| Accruals to cash adjustments | -2,656 | -44,395 | -11,258 |
| <i>Of which:</i> | | | |
| <i>Adjustments to remove non-cash items:</i> | | | |
| Depreciation | -2,656 | -2,495 | -1,829 |
| New provisions and adjustments to previous provisions | - | -50,700 | -5,229 |
| Departmental Unallocated Provision | - | - | - |
| Supported capital expenditure (revenue) | - | - | - |
| Prior Period Adjustments | - | - | - |
| Other non-cash items | - | - | -81 |
| <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 | - | - | -32 |
| Increase (-) / Decrease (+) in creditors | - | 3,400 | -4,547 |
| Use of provisions | - | 5,400 | 460 |
| Removal of non-voted budget items | - | - | - |
| <i>Of which:</i> | | | |
| Consolidated Fund Standing Services | - | - | - |
| Other adjustments | - | - | - |
| Net Cash Requirement | 37,011 | 58,338 | 51,321 |

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

£'000

| | 2013-14 Plans | 2012-13 Provisions | 2011-12 Outturn |
|---|------------------|-----------------------|--------------------|
| Gross Administration Costs | 16,245 | 17,448 | 19,335 |
| <i>Less:</i> | | | |
| Administration DEL Income | -1,913 | -4,700 | -3,078 |
| Net Administration Costs | 14,332 | 12,748 | 16,257 |
| Gross Programme Costs | 37,947 | 96,223 | 56,094 |
| <i>Less:</i> | | | |
| Programme DEL Income | -13,214 | -6,907 | -10,362 |
| Programme AME Income | - | - | - |
| Non-budget income | - | - | - |
| Net Programme Costs | 24,733 | 89,316 | 45,732 |
| Total Net Operating Costs | 39,065 | 102,064 | 61,989 |
| <i>Of which:</i> | | | |
| Resource DEL | 39,065 | 51,364 | 56,760 |
| Capital DEL | - | - | - |
| Resource AME | - | 50,700 | 5,229 |
| 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 | 39,065 | 102,064 | 61,989 |
| <i>Of which:</i> | | | |
| Resource DEL | 39,065 | 56,764 | 57,220 |
| Resource AME | - | 45,300 | 4,769 |
| <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) | 39,065 | 102,064 | 61,989 |

Part III: Note B - Analysis of Departmental Income

£'000

| | 2013-14 Plans | 2012-13 Provision | 2011-12 Outturn |
|------------------------------------|------------------|----------------------|--------------------|
| Voted Resource DEL | -15,127 | -11,607 | -13,440 |
| <i>Of which:</i> | | | |
| Administration | | | |
| Sales of Goods and Services | -1,913 | -4,700 | -3,078 |
| <i>Of which:</i> | | | |
| A Administration | -1,913 | -4,700 | -3,078 |
| Total Administration | -1,913 | -4,700 | -3,078 |
| Programme | | | |
| Sales of Goods and Services | -13,214 | -6,907 | -10,362 |
| <i>Of which:</i> | | | |
| A Administration | -13,214 | -6,907 | -10,362 |
| Total Programme | -13,214 | -6,907 | -10,362 |
| Total Voted Resource Income | -15,127 | -11,607 | -13,440 |

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: Clive Maxwell

Clive Maxwell 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 (FReM), 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.