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# Consolidated Fund and National Loans Fund Accounts 1998–99

## SUPPLEMENTARY STATEMENTS

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STATEMENTS, prepared under section 21(3) of the National Loans Act 1968, showing details of the transactions on the Consolidated Fund in the year ended 31 March 1999; the assets and liabilities of the Consolidated Fund and of the National Loans Fund at the beginning and the end of the year; and the contingent liabilities of the Consolidated Fund. (In continuation of House of Commons Paper No. 28 of 1998–99.)

*Presented pursuant to Act 1968, c. 13, s. 21(3)*

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*Ordered by The House of Commons to be printed  
16 December 1999 and 10 January 2000*

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LONDON: THE STATIONERY OFFICE



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## FOREWORD

1. This volume is prepared in accordance with section 21(3) of the National Loans Act 1968. The information given supplements the data contained in the audited accounts of the Consolidated Fund (CF) and the National Loans Fund (NLF) prepared under section 21(1) of that Act and published as House of Commons Paper No. 54 of 1999–00.

2. The Treasury Minute (Cm 1101, June 1990) replying to the Eighth Report of the Committee of Public Accounts (PAC) on Central Funds and Accountability agreed to improved presentation of the material in the accounts for these two Funds. The Treasury also supported the transfer of certain subsidiary data from the accounts to these Supplementary Statements and the publication of new audited data. These new presentations include the outturn of the Central Government Net Cash Requirement (CGNCR) (formerly the Central Government Borrowing Requirement (CGBR)), the relationship between the change in the CGNCR and the change in the net nominal liabilities of the NLF and a revised Statement of NLF Assets and Liabilities, all of which were to be audited by the Comptroller and Auditor General (C & AG). These proposals were implemented and published for the first time in House of Commons Paper No. 87 of 1991–92 and are continued in this volume.

3. Part A, Section 1 comprises a series of tables showing the transactions which contributed to the CGNCR, the reconciliation of the CGNCR with changes in the nominal National Debt, an analysis of those changes, and finally, a summary of NLF assets and liabilities. These are examined and certified by the C & AG. His Certificate is to be found on page 11.

4. Part B contains other information which Parliament expects to be presented in the Supplementary Statements.

5. Section 2 contains details of the various heads of receipts into, and payments from, the Consolidated Fund. These include receipts from Inland Revenue, HM Customs and Excise, Vehicle Excise Duty and National Non-Domestic Rates, details of which are published as notes to the Consolidated Fund receipts and payments account (HC 54).

6. Section 3 contains statements of the assets and liabilities of the CF, including loans made from votes, other departmental assets noted in appropriation accounts and the future proceeds of privatisation. This section also includes statements of actual and contingent liabilities, including various loans guaranteed by HMG. This shows contingent liabilities reported to the Treasury by government departments, except for liabilities involving £100,000 or less and those which arise in the normal course of a department's business.

7. Section 4 contains details of NLF assets and liabilities. The liability side concerns the nominal National Debt and is partly offset by assets in the form of outstanding loans to nationalised industries, other public corporations, local authorities and other borrowers. Also detailed are certain other liabilities of the NLF and the service of the National Debt.

8. The final section includes further information which the Committee of the Public Accounts requested. Table B27 shows the full annual (accrued) cost of servicing gilt-edged stocks.

# PART A

**STATEMENTS AUDITED BY THE  
NATIONAL AUDIT OFFICE**

## INTRODUCTORY NOTE TO PART A

Tables A1 and A2 show the measurement of the Central Government Net Cash Requirement (formerly the Central Government Borrowing Requirement) and its reconciliation to the change in the Nominal National Debt. The methodology for measuring the Central Government Net Cash Requirement is now outlined in “Monthly Statistics on Public Sector Finances—A methodological guide” (GSS Methodology Series No. 12) published by the Office for National Statistics (ONS).

Since last year’s publication the ONS have decided that the operations of the Guaranteed Export Finance Company (GEFCO) should score in the Central Government Net Cash Requirement. Last year’s figures have been adjusted to take account of this change.

Following a review of the outstanding liability in respect of their products, National Savings have concluded that a major part of the accrued interest on certain products, previously shown in Table B22, should be treated as capitalised and therefore form part of the National Debt in Table B21. This change of accounting treatment does not affect the Central Government Net Cash Requirement but is reflected in the significantly higher adjustments for National Savings accrued interest in Tables A2 and A3.



## SECTION 1

**A1: SUMMARY OF CENTRAL GOVERNMENT TRANSACTIONS  
CONTRIBUTING TO THE CENTRAL GOVERNMENT  
NET CASH REQUIREMENT**

	£ million	
	1997-98	1998-99
<b>National Loans Fund</b>		
Consolidated Fund surplus (+)/deficit (-) .. .. .	-2,385	6,082
Issue Department net capital appreciation (+)/depreciation (-) .. ..	6	8
National Loans Fund net loans and advances (-) .. .. .	4	-1,771
<hr/>		
Cash surplus (+)/deficit (-) to be financed .. .. .	-2,375	4,319
<hr/>		
<b>Total net borrowing (+)/net repayment (-) by the NLF .. .. .</b>	<b>2,375</b>	<b>-4,319</b>
<b>Other Central Government Funds and Accounts</b>		
<b>Office of HM Paymaster General Accounts (OPG)</b>		
National Insurance Fund .. .. .	15	7
Other accounts held at OPG <sup>(1)</sup> .. .. .	4,562	3,609
<b>Exchange Equalisation Account net income .. .. .</b>	<b>-1,181</b>	<b>-1,084</b>
<b>National Debt Commissioners (NDC)</b>		
National Lottery .. .. .	-892	-99
National Insurance Fund .. .. .	-1,813	-3,073
Other accounts managed by NDC .. .. .	-200	-440
<b>Northern Ireland funds and accounts .. .. .</b>	<b>-82</b>	<b>-112</b>
<b>National Savings accrued interest adjustment .. .. .</b>	<b>324</b>	<b>503</b>
<b>Other adjustments<sup>(2)</sup> .. .. .</b>	<b>426</b>	<b>486</b>
<hr/>		
<b>Total net borrowing (+)/lending (-) by Other Central Government Funds and Accounts .. .. .</b>	<b>1,159</b>	<b>-203</b>
<hr/>		
<b>Central Government Net Cash Requirement<sup>(2)(3)</sup> .. .. .</b>	<b>3,534</b>	<b>-4,522</b>

<sup>(1)</sup> Excluding Exchange Equalisation Account.

<sup>(2)</sup> Revised to take account of the inclusion of the operations of the Guaranteed Export Finance Company (GEFCO).

<sup>(3)</sup> A negative number signifies a net repayment.

## A2: SUMMARY RECONCILIATION OF THE CENTRAL GOVERNMENT NET CASH REQUIREMENT AND THE CHANGE IN THE NOMINAL NATIONAL DEBT

	£ million	
	1997-98	1998-99
<b>Central Government Net Cash Requirement<sup>(1) (2)</sup></b> .. .. .	3,534	-4,522
<b>Change in liquid assets</b>		
Official foreign exchange .. .. .	-1,922	-2
Others <sup>(3)</sup> .. .. .	-260	2,617
<b>Total: Change in liquid assets</b> .. .. .	-2,182	2,615
<b>Differences between nominal changes in National Loans Fund liabilities and the corresponding flows in the Central Government Net Cash Requirement</b>		
Accrued interest adjustment for National Savings Certificates, SAYE, Yearly Plan and First Option Bonds <sup>(4)</sup> .. .. .	484	2,729
Capital uplift on index-linked gilts .. .. .	1,840	1,961
Changes in sterling value of National Loans Fund foreign currency debt	-1,077	500
Other <sup>(5)</sup> .. .. .	-571	421
<b>Total: Differences</b> .. .. .	676	5,611
<b>Other funds and accounts</b>		
Changes in borrowing <sup>(2)</sup> .. .. .	-385	50
Increase in holdings of National Loans Fund liabilities .. .. .	-2,761	-563
<b>Total: Other funds and accounts</b> .. .. .	-3,146	-513
<b>Change in nominal National Debt</b> .. .. .	-1,118	3,191

(1) A negative number signifies a net repayment.

(2) Revised to take account of the inclusion of the operations of the Guaranteed Export Finance Company (GEFCO).

(3) Includes the liquid debt held in accounts managed by the National Debt Commissioners and the National Loans Fund change in the sterling value of the subscriptions to the International Monetary Fund.

(4) Reflects a change in accounting policy. See Introductory Note to Part A.

(5) Includes discounts, less premia, on British Government stocks, IMF adjustments, the change in the NLF's liability to the Gilt-edged Official Operations Account and borrowing not yet brought to account. The discounts and premia on issues of index-linked stocks are determined in relation to the uplifted value of the issues.

### A3: ANALYSIS OF THE CHANGE IN THE NET NOMINAL LIABILITIES OF THE NATIONAL LOANS FUND

	£ million	
	1997-98	1998-99
Consolidated Fund deficit (+)/surplus used to repay NLF net debt (-) .. ..	2,385	-6,082
Other factors affecting NLF net nominal liabilities		
<b>Included in the Central Government Net Cash Requirement:</b>		
- capitalised accrued interest on National Savings instruments <sup>(1)</sup> .. ..	808	3,232
- capital uplift on index-linked stocks .. .. .	1,840	2,085
- adjustment for Bank of England Issue Department .. .. .	-6	-8
- EEA surplus paid to NLF .. .. .	-3,000	-1,880
	<u>-358</u>	<u>3,429</u>
<b>Excluded from the Central Government Net Cash Requirement:</b>		
- adjustment <sup>(2)</sup> for the change in sterling value of:		
- outstanding borrowing in foreign currencies .. .. .	-1,077	500
- International Monetary Fund holding .. .. .	-362	-507
- Loans to International Monetary Fund .. .. .	0	-5
- discounts, less premia, on government stocks on:		
- issue .. .. .	-296	-360
- purchase for cancellation .. .. .	-1	-1
- conversion .. .. .	0	1,544
- change in NLF liability to:		
- Gilt-edged Official Operations Account .. .. .	-73	0
- GOOA surplus not paid to NLF .. .. .	-142	-49
	<u>-1,951</u>	<u>1,122</u>
<b>Total other factors .. .. .</b>	<b>-2,309</b>	<b>4,551</b>
<b>Total change in NLF net nominal liabilities .. .. .</b>	<b>76</b>	<b>-1,531</b>
<b>Net nominal liabilities of NLF at 1 April<sup>(3)</sup> .. .. .</b>	<b>362,520</b>	<b>362,596</b>
<b>Net nominal liabilities of NLF at 31 March<sup>(3)</sup> .. .. .</b>	<b>362,596</b>	<b>361,065</b>

(1) Reflects a change of accounting policy. See Introductory Note to Part A.

(2) Net cash transactions less change in sterling value.

(3) Includes corrections to previous year's outturn.

#### A4: SUMMARY OF NATIONAL LOANS FUND ASSETS AND LIABILITIES

	£ million	
	31 March 1998	31 March 1999
<b>LIABILITIES</b>		
Nominal National Debt outstanding <sup>(1)</sup> .. .. .	418,445	421,636
<b>TOTAL LIABILITIES..</b> .. .. .	<b>418,445</b>	<b>421,636</b>
<b>ASSETS</b>		
Loan advances outstanding .. .. .	46,743	48,514
Subscriptions to International Monetary Fund .. .. .	5,896	9,048 <sup>(2)</sup>
Gilt-edged Official Operations Account		
– advances outstanding .. .. .	2,500	2,500
– surplus not paid to the National Loans Fund .. .. .	142	191
Borrowings included in the National Debt but not yet brought to account and cash retained by NDC and NS for repayments <sup>(3)</sup> .. .. .	568	318
	55,849	60,571
Balance, that is, <b>Nominal National Loans Fund net liabilities</b> being the liability of the Consolidated Fund under section 19(1) of the National Loans Act 1968 <sup>(4)</sup> .. .. .	362,596	361,065
<b>TOTAL ASSETS</b> .. .. .	<b>418,445</b>	<b>421,636</b>
<b>Change in nominal National Debt (i.e. National Loans Fund gross liabilities)</b> ..	-1,118	3,191
<b>Change in nominal National Loans Fund net liabilities</b> .. .. .	76	-1,531

<sup>(1)</sup> See Table B21. Includes corrections to previous year's outturn.

<sup>(2)</sup> Comprises 10,738.5 million Special Drawing Rights valued at 1.186817 SDR = £1, as at 31 March 1999.

<sup>(3)</sup> See columns 4 and 10 of Table B21.

<sup>(4)</sup> See Table B19. Includes corrections to previous year's outturn.

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**THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL  
TO THE HOUSES OF PARLIAMENT**

I certify that I have audited the Consolidated Fund and National Loans Fund Accounts Supplementary Statements Part A (the Statements) on pages 7 to 10 which have been prepared in accordance with Section 21(3) of the National Loans Act 1968, the directions made thereunder by the Treasury and the methodology for measuring the Central Government Net Cash Requirement outlined in 'Monthly Statistics on Public Sector Finances—A Methodological Guide'.

**Respective Responsibilities of the Treasury, the Accounting Officer and Auditor**

The Treasury and the Accounting Officer are responsible for the preparation of the Statements and for determining their form and basis. The Accounting Officer is also responsible for ensuring the regularity of the public finances for which he is answerable and for the preparation of the Introductory Note to Part A on page 6. My responsibilities, as independent auditor, are established by agreement and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the Statements properly summarise the transactions contributing to the Central Government Net Cash Requirement and the reconciliation of the Central Government Net Cash Requirement with the change in the nominal national debt, whether they properly present the analysis of the change in the nominal liabilities of the National Loans Fund and the assets and liabilities of the National Loans Fund, and whether they have been properly prepared in accordance with Section 21(3) of the National Loans Act 1968, the directions made thereunder by the Treasury and the methodology for measuring the Central Government Net Cash Requirement outlined in 'Monthly Statistics on Public Sector Finances—A Methodological Guide'. I also report if, in my opinion, the Introductory Note to Part A is not consistent with the Statements, proper accounting records have not been kept, or if I have not received all the information and explanations I require for my audit.

**Basis of Opinion**

I conducted my audit in accordance with 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 Statements. It also includes an assessment of the judgements made by the Accounting Officer in the preparation of the Statements.

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 Statements are free from material misstatement, whether caused by error, or by fraud or other irregularity. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the Statements.

**Opinion**

In my opinion, the Statements:

- properly summarise, for the year ended 31 March 1999, the transactions contributing to the Central Government Net Cash Requirement and the reconciliation of the Central Government Net Cash Requirement with the change in the nominal national debt;
- properly present the analysis of the change in the nominal liabilities of the National Loans Fund and the assets and liabilities of the National Loans Fund as at the 31 March 1999; and
- have been properly prepared in accordance with Section 21(3) of the National Loans Act 1968, the directions made thereunder by the Treasury and the methodology for measuring the Central Government Net Cash Requirement outlined in 'Monthly Statistics on Public Sector Finances—A Methodological Guide'.

*John Bourn*  
Comptroller and Auditor General

23 December 1999

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# PART B

**STATEMENTS SUPPLEMENTING THE  
CONSOLIDATED FUND AND  
NATIONAL LOANS FUND ACCOUNTS**





## SECTION 2

**B1: SUMMARY OF CONSOLIDATED FUND RECEIPTS AND PAYMENTS  
in the year 1998–99**

REVENUE AND EXPENDITURE	£
Receipts (see below) .. .. .	255,549,809,855
Payments (see page 16) .. .. .	249,467,863,063
<b>SURPLUS transferred to the National Loans Fund</b> .. .. .	<b>6,081,946,792</b>

**B2: RECEIPTS, 1998–99: SUMMARY**

	For details see pages:	Payments to Consolidated Fund	Net receipts due to Consolidated Fund	Increase (+) or decrease (–) in the year of balances, etc. outstanding
		£	£	£
<b>Inland Revenue</b> .. .. .	(1)	128,249,785,771	128,024,833,740	–224,952,031
<b>Customs and Excise</b> .. .. .	(1)	94,018,262,446	93,955,049,720	–63,212,726
<b>Vehicle Excise Duty</b> .. .. .	(1)	4,666,343,127	4,853,855,370	187,512,243
<b>National Non-Domestic Rates</b> .. .. .	(1)	15,878,259,450	15,295,351,629	–582,907,821
<b>TOTAL TAXATION</b> .. .. .		242,812,650,794	242,129,090,459	–683,560,335
<b>Interest and dividends</b> .. .. .	16	672,793,980	672,793,980	—
<b>Miscellaneous receipts</b> .. .. .	16–17	10,064,365,081	10,064,365,081	—
<b>Contingencies Fund: repayments</b> .. .. .		2,000,000,000	2,000,000,000	—
<b>TOTAL RECEIPTS</b> .. .. .		255,549,809,855	254,866,249,520	–683,560,335

Note: See pages 19 & 20 for details of customs duties and agricultural levies paid to the European Communities as 'own resources'.

(1) Detailed breakdowns of these receipts are published as Notes to the Consolidated Fund Account (HC).

**B3: PAYMENTS, 1998–99: SUMMARY**

	For details see pages:	£	£
<b>SUPPLY SERVICES</b> .. .. .	18		213,439,226,466
<b>CONSOLIDATED FUND STANDING SERVICES</b>			
<b>Payment to the National Loans Fund in respect of service   of the National Debt</b> .. .. .			21,320,785,613
<b>Payments to the European Communities, etc.</b> .. .. .	19–20		8,060,730,062
<b>Northern Ireland—share of taxes, etc.</b> .. .. .	21		4,709,292,013
<b>Other services:</b>			
<b>Civil List</b> .. .. .	21	8,325,805	
<b>Annuities and pensions</b> .. .. .	21–24	24,885,450	
<b>Salaries and allowances</b> .. .. .	25	4,892,677	
<b>Courts of Justice</b> .. .. .	26–27	99,289,825	
<b>Miscellaneous services</b> .. .. .	28	100,435,152	237,828,909
<b>Issues to the Contingencies Fund</b> .. .. .			1,700,000,000
<b>TOTAL PAYMENTS</b> .. .. .			249,467,863,063

**B4: RECEIPTS OF INTEREST AND DIVIDENDS**

	1997-98 <sup>(1)</sup>	1998-99
HM Land Registry—dividend on Public Dividend Capital	9,202,570	10,900,608
Interest and dividends received from Votes	549,653,905	413,504,845
Crown Estate—surplus revenue	116,600,000	122,000,000
European Investment Bank (Dividend)	—	126,190,464
Miscellaneous	276,439	198,063
<b>TOTAL</b>	<b>675,732,914</b>	<b>672,793,980</b>

**B5: MISCELLANEOUS RECEIPTS**

	1997-98 <sup>(1)</sup>	1998-99	1998-99
	£	£	£
<b>RECEIPTS FROM VOTES:</b>			
Receipts of 1996-97 paid to the Consolidated Fund in 1998-99	24,164	44,182,229 <sup>(2)</sup>	
Receipts of 1997-98 (as detailed in Appropriation Accounts)	13,389,482,737	8,878,532,644	
Less amounts paid to the Consolidated Fund in 1997-98	4,425,253,723	3,918,797,581	
Amount paid to the Consolidated Fund in 1998-99	8,920,046,784 <sup>(2)</sup>	4,959,242,009 <sup>(3)</sup>	
Receipts of 1998-99 (on account)	3,918,797,581	3,710,976,595	
Amount paid to the Consolidated Fund in 1998-99	12,838,868,529	8,714,400,833	
Less interest and dividends received from Votes ( <i>see above</i> )	549,653,905	413,504,845	8,300,895,988
<b>OTHER RECEIPTS</b>			
Independent Television Commission—Levy under Schedule 11 to the Broadcasting Act 1990		429,793,334	454,910,552
Radio Authority—Broadcasting Act 1990		7,627,286	8,829,782
Contributions by Her Majesty The Queen to meet certain payments under sections 2 and 3 of the Civil List Act 1972		1,515,000	—
<b>Carried forward</b>	<b>12,728,150,244</b>		<b>8,764,636,322</b>

(1) Incorporates amendments to figures published last year.

(2) An amount of £44,182,229 was outstanding at 31 March 1998 in respect of 1996/97.

(3) An amount of £493,054 was outstanding at 31 March 1999 in respect of 1997/98.

**BS: MISCELLANEOUS RECEIPTS—continued**

	1997-98 <sup>(1)</sup>	1997-98 <sup>(1)</sup>	1998-99	1998-99
	£	£	£	£
Brought forward .. .. .		12,728,150,244		8,764,636,322
<b>OTHER RECEIPTS—continued</b>				
Consolidated Fund share of surplus income from the Northern Ireland Court Service Investment Account .. .. .		—		51,562
Consolidated Fund share of surplus accrued from securities held for:				
National Savings Bank .. .. .		37,918,684		37,842,771
Insolvency Services Investment Account .. .. .		37,994,198		51,458,135
Court Funds Investment Account .. .. .		—		32,640,798
Crown's share of the Crown's Nominee Fund .. .. .		8,000,000		—
Surplus Crown revenues—Jersey .. .. .		250,665		—
Surplus Crown revenues—Guernsey .. .. .		4,192,267		4,156,816
Savings on grants of Parliament and over-issues repaid .. .. .		98,988,832		807,235,271
Isle of Man—contribution for 1997-98 .. .. .		1,931,638		—
Forestry Fund .. .. .		12,268,443		3,103,257
Gas levy under section 6(1) of the Gas Levy Act 1981 .. .. .		181,135,405		20,392,964
National Savings Bank Ordinary Account—management expenses .. .. .		54,200,000		53,200,000
Scottish Electricity—Privatisation Proceeds .. .. .		747,000		—
Northern Ireland Electricity—privatisation proceeds .. .. .		8,175		404,025
Sheriff Court of Session .. .. .		595,000		580,000
Unclaimed dividends and undistributed balances under the Insolvency Services (Accounting and Investment) Act 1970 .. .. .		1,492,026		—
Royal Mint—United Kingdom coinage .. .. .		329,000,000		286,000,000
Superannuation contributions, etc.:				
Courts of Justice .. .. .	1,902,095		1,922,190	
Royal Household .. .. .	694,369		410,748	
European Parliament .. .. .	378,962		175,288	
Comptroller and Auditor General, etc. .. .. .	5,823		—	
PCSPS .. .. .	17,618		5,676	
Other:				
Gifts and bequests to the nation .. .. .		81,541		26
Forfeited parliamentary election deposits .. .. .		697,500		8,000
Solicitors' Disciplinary Tribunal—penalties .. .. .		148,247		140,162
Miscellaneous .. .. .		70,601		1,065
<b>TOTAL MISCELLANEOUS RECEIPTS</b>		<b>13,500,869,333</b>		<b>10,064,365,081</b>

<sup>(1)</sup> Incorporates amendments to figures published last year.

## B6: SUPPLY SERVICES

Statement of issues in the year ended 31 March 1999, showing also the amounts of the grants in the year and the balance of grants for former years, the surplus balances written off in the year, and the balances remaining unissued at the end of the year

	Services	Grants				Total issues in the year	Surplus balances written off	Balances of grants unissued from the Consolidated Fund on 31 March 1999
		Balances of former years unissued from the Consolidated Fund	For the year 1998-99 (including supplementary grants)	For deficiencies of grants of former years	Total			
		£	£	£	£	£	£	
I	Ministry of Defence .. .. .	114,637,000	23,961,383,000	1,000	24,076,021,000	23,728,936,616	112,271,384	234,813,000
II	Foreign and Commonwealth Office .. .. .	18,904,500	1,131,040,000	0	1,149,944,500	1,134,985,907	14,957,593	1,000
III	International Development .. .. .	4,397,653	1,909,698,000	0	1,914,095,653	1,895,530,016	18,282,315	283,322
IV	Ministry of Agriculture, Fisheries and Food and Intervention Board— Executive Agency .. .. .	12,606	1,114,692,000	0	1,114,704,606	1,059,209,084	55,482,163	13,359
V	Trade and Industry and Export Credits Guarantee Department .. .. .	73,989,706	3,356,150,000	1,000	3,430,140,706	3,204,852,046	107,711,436	117,577,225
VI	Environment, Transport and Regions .. .. .	480,329,873	44,843,137,000	0	45,323,466,873	43,038,768,322	548,597,972	1,736,100,579
VII	Home Office and Charity Commission .. .. .	199,227,018	6,954,256,000	0	7,153,483,018	7,019,311,532	133,554,044	617,443
VIII	Lord Chancellor's and Law Officers' Departments .. .. .	114,891,976	2,684,840,000	0	2,799,731,976	2,764,220,641	35,510,335	1,000
IX	Education and Employment .. .. .	636,229,048	16,352,729,000	0	16,988,958,048	15,174,471,676	248,882,061	1,565,604,311
X	Culture, Media and Sport .. .. .	1,000	3,065,236,000	0	3,065,237,000	3,047,930,311	17,305,689	1,000
XI	Department of Health .. .. .	30,000,000	34,111,140,000	0	34,141,140,000	34,101,500,261	9,639,739	30,000,000
XII	Department of Social Security .. .. .	2,580,066,783	50,553,265,000	0	53,133,331,783	49,174,610,388	2,422,932,191	1,535,789,204
XIII	Scotland and the Forestry Commission .. .. .	164,579,309	13,812,433,000	0	13,977,012,309	13,467,612,868	156,495,441	352,904,000
XIV	Wales .. .. .	52,942,243	6,503,149,000	0	6,556,091,243	6,414,568,273	120,835,575	20,687,395
XV	Northern Ireland .. .. .	376,247,714	2,798,722,000	0	3,174,969,714	2,449,544,638	468,443,042	256,982,034
XVI	Departments of the Chancellor of the Exchequer .. .. .	16,909,133	3,173,634,000	0	3,190,543,133	3,124,056,212	27,867,976	38,618,945
XVII	Cabinet Office, Office of Public Service, etc. .. .. .	0	1,564,740,000	0	1,564,740,000	1,511,052,267	53,685,733	2,000
XVIII	Cabinet Office, other services, Privy Council Office, Parliament, etc. .. .. .	8,823,083	908,398,000	0	917,221,083	908,276,947	8,507,436	436,699
XVIII,A	House of Commons .. .. .	41,325,505	188,391,000	0	229,716,505	177,996,786	44,559,228	7,160,490
XVIII,B	National Audit Office .. .. .	1,198,065	40,900,000	0	42,098,065	41,791,675	306,390	0
	<b>TOTAL</b>	4,914,712,215	219,027,933,000	2,000	223,942,647,215	213,439,226,466	4,605,827,742	5,897,593,006

Totals have been rounded to the nearest pound in all cases.

## B7: PAYMENTS TO THE EUROPEAN COMMUNITIES, ETC. IN 1998–99

### EUROPEAN COMMUNITIES ACT 1972 (1972 c. 68, s.2(3))

	<i>Total</i> £
Budget of the European Communities .. .. .	8,060,730,062
European Investment Bank: Capital Subscription .. .. .	NIL
	8,060,730,062

#### *Budget of the European Communities: Payments*

1. From 2 September 1996, retrospectively to 1 January 1995, Member States' own resources payments to the Community Budget have been made on the basis of the financing system set out in the new Own Resources Decision. This followed agreement by all Member States in accordance with their own constitutional requirements; the Decision was incorporated into UK law by virtue of the EC (Finance) Act 1995. This Decision provides for the Community Budget to be financed by own resources consisting of:

- (a) agricultural and sugar levies;
- (b) customs duties;
- (c) VAT which is the product of the application of a uniform rate, not exceeding 1 per cent with effect from 1 January 1999, to a harmonised expenditure base, (which must not, with effect from 1 January 1999, exceed 50 per cent of the GNP of any Member State);
- (d) A "fourth resource" based on Member States' shares in Community GNP. The rate of this GNP-based resource is whatever is required, given all other revenue, to balance the Budget.

2. Under the terms of the Own Resources Decision there was an overall own resources ceiling of 1.26 per cent of Community GNP in 1998. This was increased to 1.27 per cent in 1999, and beyond. The Own Resources Decision also gradually increases the proportion of the GNP-based resource while reducing that of the VAT-based resource and progressively reduced the cap on the VAT base from 55% to 50%.

3. The UK's Fontainebleu abatement is calculated according to the formula set out in the Own Resources Decision. It is equal to 66 per cent of the difference in the previous year between on the one hand, what the UK would have paid if the Community Budget had been financed entirely by VAT (but excluding the UK's contribution to expenditure outside the Community, mainly aid) and, on the other, the UK's receipts from the Budget.

4. From 1989 onwards the calculation of the UK abatement has been adjusted to take account of the effects of the capped VAT base and the introduction of GNP contributions in comparison with what would have been paid with uncapped VAT contributions and an increase in the VAT ceiling. The intention is that the UK should end up no better or worse off than under the previous arrangements of uncapped VAT financing and an unadjusted Fontainebleu abatement system.

5. Under the Own Resources Decision, Member States retain 10 per cent of agricultural levies and customs duties payments to cover collection costs. Payments made to the Community are thus 90 per cent of the amounts collected.

6. Under Articles 10(4) and 10(6) of Council Regulation 1552/89, Member States are credited or debited with the balance of the amount of value added tax between their contributions in previous financial years and the amount actually due at the applied rate. On 1 December 1998 the UK received adjustments of £24,623,018 in respect of 1988, £20,186,082 in respect of 1989 and £19,528,625 in respect of 1990, and made a payment of £534,194,141 in respect of 1997. There were no adjustments in respect of years 1991 to 1996.

7. Under Article 10(7) of Council Regulation 1552/89, Member States are credited or debited with the balance of the amount of the GNP-based fourth resource contributions actually due when the outturn GNP figures are provided for that year, in line with the adopted uniform rate. On 1 December 1998 the UK received adjustments of £5,099,628 in respect of 1988, £1,939,411 in respect of 1989, £3,282,544 in respect of 1991, £796,994 in respect of 1992, £5,027,625 in respect of 1993, £6,991,317 in respect of 1994 and £4,442,487 in respect of 1995 and made payments of £5,678,195 in respect of 1996 and £425,935,392 in respect of 1997. There was no adjustment in respect of 1990.

8. In addition to the adjustments listed in paragraphs 6 and 7 the UK made a payment on 4 January 1999 of £11,104,535 relating to the definitive calculation of the UK abatement in respect of 1994.

9. Total own resources payments made by the United Kingdom to the European Communities during 1998–99 were:

	£	Total £
(i) Payments on account towards 1999 Budget:		
Agricultural and sugar levies .. .. .	77,216,199	
Customs duties .. .. .	365,155,632	
VAT contributions (before abatement) .. .. .	1,241,200,606	
Fourth resource .. .. .	1,535,289,233	
Less abatement .. .. .	-866,654,842	
		2,352,206,828

**B7: PAYMENTS TO THE EUROPEAN COMMUNITIES, ETC. IN 1998-99**—continued

	£	Total £
(ii) Balance of payments towards 1998 Budget:		
Total amounts from:		
Agricultural and sugar levies .. .. .	300,763,047	
Customs duties .. .. .	1,641,148,863	
VAT contributions (before abatement) .. .. .	3,959,594,216	
Fourth resource contributions .. .. .	3,823,988,155	
Less abatement .. .. .	-2,154,010,335	
Adjustment of previous years' VAT and fourth resource contributions under		
Articles 10(4), 10(6) and 10(7) of Council Regulation 1552/89 .. .. .	873,889,998	
Definitive calculation of UK abatement in respect of 1994 .. .. .	11,104,535	
Less payments on account to 1998 Budget paid in 1997-98 .. .. .	-2,747,955,245	
		<u>5,708,523,234</u>
Total own resources payments made in 1998-99 .. .. .		<u>8,060,730,062</u>

*Note*

On 21 July 1997 the UK made an overpayment of £5,977,447.29 to the European Community in respect of Sugar and Isoglucose levies. This amount was recovered from the Community in full on 21 September 1998.

*Budget of the European Communities: Receipts*

10. Gross receipts from the European Community Budget come mainly from the Agricultural Guidance and Guarantee Fund and the Social and Regional Development Funds. These are not credited directly to the Consolidated Fund but are accounted for by departments through votes.

11. Public sector receipts from the European Communities amounted to some £3,950 million during 1998-99, as follows:

	£ million
Agricultural Guarantee and Guidance Fund .. .. .	3,080
Social Fund .. .. .	511
Regional Development Fund .. .. .	348
Other .. .. .	10
Total	<u>3,950</u>

*European Investment Bank*

12. The European Investment Bank (EIB) is established under Article 198d of the Treaty establishing the European Economic Community. Payments of subscribed capital are made under the provisions of the EIB's statute which is a Protocol of the Treaty. By a decision of the EIB's Board of Governors of 5 June 1998, the subscribed capital of the Bank was increased from 62,013,000,000 euro to 100,000,000,000 with effect from 1 January 1999. The UK's (and other shareholders') capital subscriptions were fully paid in by drawing on the Bank's operating surplus. The UK's capital holding currently stands at 17,766,355,000 euro. As part of the same decision, the Board agreed to distribute to the Member States, as an exceptional payment, pro-rata of their contributions to the Bank's subscribed capital, 1,000,000,000 euro. This yielded the UK, on 3 November 1998, £126,190,464 (177,664,000 euro) which was taken directly into the Consolidated Fund.

## PAYMENTS, 1998–99: DETAILS

### B8: NORTHERN IRELAND—SHARE OF TAXES, ETC.

	£
Northern Ireland Constitution Act 1973 (c. 36, s.15(1)(5)):	
Estimated attributed share of all taxes 1998–99 .. .. .	5,266,803,478
Adjustment for 1996–97 .. .. .	557,511,465
Total .. .. .	4,709,292,013

### B9: OTHER CONSOLIDATED FUND STANDING SERVICES

#### CIVIL LIST

#### CIVIL LIST ACT 1972 (c. 7)

Under section 1 of the Civil List Act 1972 and the Civil List (Increase of Financial Provision) Order 1990 (S.I. 1990/2018), the amount to be paid each calendar year for the Queen's Civil List was £7,900,000 appropriated to 'Salaries and Expenses of Her Majesty's Household, and royal bounty and special services'. A further annual sum of £636,000 is also payable under section 3 of the Act to the Royal Trustees for making contributions towards expenses of the performance of duties pertaining to the Royal Family by those of Their Royal Highnesses for whom Parliament had not made provision.

Issues from the Consolidated Fund in the financial year 1998–99 were as follows:

	£	£
Civil List 1998 .. .. .	7,900,000	
Less amount issued in 1997–98 .. .. .	3,327,403	
Balance issued in 1998–99 .. .. .		4,572,597
Civil List 1999 (on account) .. .. .		3,127,783
Royal Trustees 1998 .. .. .	636,000	
Less amount issued in 1997–98 .. .. .	167,820	
Balance issued in 1998–99 .. .. .		468,180
Royal Trustees 1999 (on account) .. .. .		157,245
Total .. .. .		8,325,805

### ANNUITIES AND PENSIONS

	£	£
<b>ANNUITIES TO THE ROYAL FAMILY:</b>		
1 Edw. 8 & 1 Geo. 6 c. 32, 1972 c. 7, 1975 c. 82		
Her Majesty Queen Elizabeth The Queen Mother .. .. .	643,000	
15 & 16 Geo. 6 & Eliz. 2 c. 37, 1972 c. 7, 1975 c. 82		
His Royal Highness The Prince Philip, Duke of Edinburgh .. .. .	359,000	
14 & 15 Geo. 6 c. 50, 15 & 16 Geo. 6 & 1 Eliz. 2 c. 37, 1972 c. 7, 1975 c. 82		
Her Royal Highness The Princess Royal .. .. .	228,000	
His Royal Highness The Duke of York .. .. .	249,000	
His Royal Highness The Prince Edward .. .. .	96,000	
1 Edw. 8 & 1 Geo. 6 c. 32, 15 & 16 Geo. 6 & 1 Eliz. 2 c. 37, 1972 c. 7, 1975 c. 82		
Her Royal Highness The Princess Margaret, Countess of Snowdon .. .. .	219,000	
1972 c. 7, 1975 c. 82		
Her Royal Highness Princess Alice, Duchess of Gloucester .. .. .	87,000	
		1,881,000

**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued**  
**ANNUITIES AND PENSIONS—continued**

	Total Pension £	Of which:—		£
		Pension Increases Element <sup>(1)</sup> £	Paid from Consolidated Fund £	
<i>PENSIONS, ETC. FOR POLITICAL AND CIVIL SERVICES</i>				
Brought Forward				1,881,000
1972 c. 48, 1987 c. 45, 1991 c. 5, 1995 c. 26 Pensions to former Prime Ministers, their widows and dependants	165,704	21,670	144,034	
1965 c. 70, 1971 c. 13, 1972 c. 48, 1987 c. 45, 1991 c. 5 Pensions to former Speakers to the House of Commons, their widows and dependants <sup>(1)</sup>	50,039	18,763	31,276	
14 & 15 Geo. 6 c. 3, 1972 c. 11, 1976 c. 48, 1987 c. 39, 1993 c. 8 <sup>(1)</sup> Pensions to former Comptroller and Auditor Generals, their widows and dependants	84,130	40,598	43,532	
1962 c. 14 Pensions to former Parliamentary Commissioners, their widows and dependants	158,049	59,576	98,473	
1965 c. 70, 1971 c. 13, 1987 c. 45 Pension to former Chief Electoral Officer, Northern Ireland, his widow and dependants	10,537	6,472	4,065	
1984 c. 35 Pension to former Data Protection Registrar	42,363	5,686	36,677	
Total from the Consolidated Fund				358,057
Carried forward				2,239,057

<sup>(1)</sup> By analogy with the Principal Civil Service Pension Scheme.



**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued**

**ANNUITIES AND PENSIONS—continued**

	Total Pension £	Of which:—		£
		Pension Increases Element(1) £	Paid from Consolidated Fund £	
<i>PENSIONS, ETC. FOR JUDICIAL SERVICES</i>				
Brought Forward				2,239,057
ENGLAND AND WALES				
2 & 3 Will. 4 c. 111 39 & 40 Vict. c. 59, 5 & 6 Geo. 5 c. 74, 19 & 20 Geo. 5 c. 8, 19 & 20 Geo. 5 c. 37, Eliz. 2 c. 9, 1965 c. 61, 1971 c. 23, 1973 c. 15, 1981 c. 20 & c. 54, 1993 c. 8	16,088,721	3,553,933	15,814,631	
Pensions (including widows' pensions)	3,214,633			
Lump sum payments	65,210			
Transfer values				
SCOTLAND				
1 & 2 Vict. c. 118, 9 & 10 Eliz. 2 c. 42, 1971 c. 58, 1973 c. 15, 1981 c. 20, 1993 c. 8	2,691,515	627,950	2,825,668	
Pensions (including widows' pensions)	762,103			
Lump sum payments				
IRELAND				
40 & 41 Vict. c. 56, 14 & 15 Geo. 6 c. 11, 14 & 15 Geo. 6 c. 20 (N.I.) 8 Eliz. 2 c. 25 (N.I.) 9 Eliz. 2 c. 2 (N.I.) 1969 c. 7 (N.I.), 1973 c. 15 & 36m S.I. 1991/2631 (N.I.), 1993 c. 8	918,908	168,658	1,134,869	
Pensions (including widows' pensions)	384,619			
Lump sum payments				
Total from the Consolidated Fund				19,775,168
Carried forward				22,014,225

**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued**

**ANNUITIES AND PENSIONS—continued**

	Total Pension £	Of which:—		Paid from Consolidated Fund £	£
		Pension Increases Element(1) £			
<b>MISCELLANEOUS PENSIONS</b>					
Brought Forward					22,014,225
1 Geo. 5 c. 28, 1 Edw. 8 & 1, Geo. 6 c. 32, 15 & 16 Geo. 6 & 1 Eliz. 2 c. 37, 1972 c. 7, 1975 c. 82					
Royal Household pensions (including widows' pensions)	1,924,026			1,924,026	
Lump sum payments	476,243			476,243	
Transfer values	3,450			3,450	
1 Vict. c. 2, 15 & 16 Geo. 6 & 1 Eliz. 2 c. 37, 1972 c. 7, 1975 c. 82					
Civil List Pensions	113,518			113,293	
1979 c. 50, 1984 c. 52, 1988 c. 1					
Representatives of the European Parliament Pensions (2) (including widows' pensions)					
Transfer values	266,629	47,614		354,213	
Lump sums	135,198				
<b>TOTAL AMOUNT ISSUED FOR ANNUITIES AND PENSIONS</b>					<b>24,885,450</b>

**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued****SALARIES AND ALLOWANCES**

	£	£
<b>HOUSES OF PARLIAMENT:</b>		
1972 c. 48, 1975 c. 27		
Speaker of the House of Commons (£61,650) .. .. .	61,650	
1991 c. 5		
House of Commons: Leader of the Opposition (£56,513) .. .. .	56,513	
House of Lords: Leader of the Opposition (£44,832) .. .. .	57,817	
Night subsistence allowance (£17,710) .. .. .		
Chief Opposition Whips:		
House of Commons (£31,980) .. .. .	31,981	
House of Lords (£40,547) .. .. .		
Night subsistence allowance (£17,710) .. .. .	62,615	
1975 c. 27		
Deputy Chief Opposition Whip, House of Commons (£20,580) .. .. .		
Assistant Opposition Whip, House of Commons (£20,580) .. .. .	41,160	
Severance payments .. .. .	16,353	
1977 c. 5		
Employers' national insurance contributions .. .. .	28,169	356,258
<b>EUROPEAN PARLIAMENT:</b>		
1979 c. 50, 1984 c. 52, 1993 c. 41		
Representatives (£45,066) <sup>(1)</sup> .. .. .	3,819,243	
Employers' national insurance contributions .. .. .	334,888	4,154,131
<b>NATIONAL AUDIT OFFICE:</b>		
14 & 15 Geo 6 c. 3, 5 & 6 Eliz. 2 c. 45, 1976 c. 48		
Comptroller and Auditor General (£117,752) .. .. .	116,614	
1977 c. 5		
Employers' national insurance contributions .. .. .	11,114	127,728
<b>THE OFFICE OF THE PARLIAMENTARY COMMISSIONER:</b>		
1967 c. 13, 1976 c. 48, 1987 c. 39		
Parliamentary Commissioner (£117,752) .. .. .	110,208	
1977 c. 5		
Employers' national insurance contributions .. .. .	10,364	120,572
<b>CHIEF ELECTORAL OFFICER FOR NORTHERN IRELAND:</b>		
1962 c. 14 (N.I.), 1973 c. 36		
Chief Electoral Officer (£58,095) .. .. .	56,810	
1977 c. 5		
Employers' national insurance contributions .. .. .	5,024	61,834
<b>THE OFFICE OF THE DATA PROTECTION REGISTRAR:</b>		
1984 c. 35		
Data Protection Registrar (£64,484) .. .. .	66,192	
1977 c. 5		
Employers' national insurance contributions .. .. .	5,962	72,154
<b>TOTAL AMOUNT ISSUED FOR SALARIES AND ALLOWANCES .. .. .</b>		<b>4,892,677</b>

Note: Figures in brackets were the annual amounts payable at 31 March 1999.

(<sup>1</sup>) Representatives who are also Members of the House of Commons receive one third (£15,022) of the full MEP salary.

**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued****COURTS OF JUSTICE**

ENGLAND AND WALES	£	£
<b>HOUSE OF LORDS:</b>		
39 & 40 Vict. c. 59, 19 & 20 Geo. 5 c. 8, 1968 c. 5, 1973 c. 15, 1981 c. 54, 1991 c. 5		
12 Lords of Appeal in Ordinary (£138,889) .. .. .	1,650,432	1,650,432
<b>SUPREME COURT OF JUDICATURE:</b>		
<b>HER MAJESTY'S COURT OF APPEAL:</b>		
39 & 40 Vict. c. 59, 1968 c. 5, 1971 c. 23, 1973 c. 15, 1981 c. 54		
35 Lord Justices (£132,017) .. .. .	4,568,861	
Master of the Rolls (£138,889) .. .. .	137,547	4,706,408
<b>HER MAJESTY'S HIGH COURT OF JUSTICE:</b>		
39 & 40 Vict. c. 59, 10 & 11 Eliz. 2 c. 15, 1968 c. 5 1971 c. 23, 1973 c. 15, 1975 c. 27, 1979 c. 48, 1981 c. 54, 1991 c. 5		
Lord Chancellor, President of Chancery Division (£129,862) .. .. .	128,628	
Lord Chief Justice, President of Queen's Bench Division (£148,502) .. .. .	147,067	
President of the Family Division (£132,017) .. .. .	130,742	
Vice-Chancellor (£132,017) .. .. .	130,742	
97 Justices (£117,752) .. .. .	11,341,631	11,878,810
<b>CIRCUIT BENCH:</b>		
39 & 40 Vict. c. 59, 15 & 16 Geo. 6, Eliz. 2 c. 12 & 1, 1968 c. 5, 1971 c. 23, 1973 c. 15, 1981 c. 54		
8 Official Referees (London) (£96,214) .. .. .	808,891	
34 Senior Circuit, Specialist Circuit & Old Bailey Judges (£96,214) .. .. .	3,450,490	
1 Recorder of Liverpool (£94,612) .. .. .	95,284	
1 Recorder of Manchester (£94,612) .. .. .	95,284	
514 Circuit Judges (£88,077) .. .. .	44,532,360	48,887,025
<b>METROPOLITAN MAGISTRATES COURTS:</b>		
2 & 3 Vict. c. 71, 15 & 16 Geo. 6, Eliz. 2 c. 12, 7 & 8 Eliz. 2 c. 45, 1964 c. 42, 1973 c. 15, 1981 c. 54, 1997 c. 25		
1 Chief Magistrate (£88,077) .. .. .	87,227	
48 Magistrates (£74,820) Inner London .. .. .	3,274,251	
(£74,820) Intermediate .. .. .	444,812	3,806,290
<b>PROVINCIAL MAGISTRATES COURTS:</b>		
1973 c. 15, 1997 c. 25		
41 Magistrates (£70,820) .. .. .	2,772,193	2,772,193
1977 c. 5		
Employers' national insurance contributions .. .. .		6,938,983
<b>SCOTLAND</b>		
<b>COURT OF SESSION:</b>		
17 & 18 Vict. c. 94, 39 & 40 Vict. c. 59, 15 & 16 Geo. 6 & 1, Eliz. 2 c. 12, 1968 c. 5, 1973 c. 15, 1981 c. 54, 1988 c. 36		
Lord Justice General and President (£138,889) .. .. .	137,547	
Lord Justice Clerk and President of the Second Division (£132,017) .. .. .	130,742	
18 Judges, Outer Court (£117,752) .. .. .	2,159,900	
6 Judges, Inner Court (£132,017) .. .. .	784,450	3,212,639
Carried forward .. .. .		83,852,780

Note: Figures in brackets were the annual amounts payable at 31 March 1999.

**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued****COURTS OF JUSTICE—continued**

	£	£
Brought forward .. .. .		83,852,780
<b>SCOTTISH LAND COURT:</b>		
1 & 2 Geo. 5 c. 49 and 1 Edw. 8 & 1 Geo. 6 c. 35, 1993 c. 45		
Chairman (£96,214) .. .. .	95,284	
3 Members (£47,874) 2 Full Time and 1 Part Time (£31,118) .. .. .	128,634	223,918
<b>SHERIFF COURTS:</b>		
17 & 18 Vict. c. 94, 39 & 40 Vict. c. 70, 7 Edw. 7 c. 51, 15 & 16 Geo. 6 & Eliz. 2 c. 12, 9 & 10 Eliz. 2 c. 42, 1971 c. 58, 1981 c. 20		
6 Sheriffs Principal (£96,214) .. .. .	571,704	
106 Sheriffs (£88,077) .. .. .	9,281,364	9,853,068
1997 c. 5		
Employers' national insurance contributions .. .. .		1,245,805
<b>NORTHERN IRELAND</b>		
<b>SUPREME COURT OF JUDICATURE, IRELAND:</b>		
<b>HER MAJESTY'S COURT OF APPEAL:</b>		
19 & 20 Vict. c. 92, 39 & 40 Vict. c. 59, 40 & 41 Vict. c. 57 1968 c. 5, 1973 c. 15		
3 Lord Justices (£132,017) .. .. .	372,572	
<b>HER MAJESTY'S HIGH COURT OF JUSTICE:</b>		
39 & 40 Vict. c. 59, 15 & 16 Geo. 6 & 1 Eliz. 2 c. 12 1968 c. 5 and 1973 c. 15		
Lord Chief Justice (£138,889) .. .. .	137,547	
7 Justices (£117,752) .. .. .	795,233	1,305,352
<b>COUNTY COURTS:</b>		
1959 c. 25 (N.I.), 1964 c. 30 (N.I.), 1973 c. 36		
1 Recorder of Belfast .. .. .	—	
12 County Court Judges (£96,214) .. .. .	1,261,391	1,261,391
<b>MAGISTRATES COURTS:</b>		
1964 c. 21 (N.I.), 1973 c. 36		
16 Resident Magistrates (£70,820) .. .. .	1,183,005	1,183,005
1977 c. 5		
Employers' national insurance contributions .. .. .		354,053
<b>WPS REFUNDS (Overcollected from individuals)</b>		
Tax due on above	10,453	10,453
<b>TOTAL AMOUNT ISSUED FOR COURTS OF JUSTICE:</b> .. .. .		<b>99,289,825</b>

Note: Figures in brackets were the annual amounts payable at 31 March 1999.

**B9: OTHER CONSOLIDATED FUND STANDING SERVICES—continued****MISCELLANEOUS SERVICES**

	£
Expenses of Elections for the European Parliament (1978 c. 10, s. 7(1), 1991 c. 11, s. 1). Issues <sup>(1)</sup> to Home Departments.. .. .	3,544,500
Expenses of Parliamentary Elections (1983 c. 2, 1991 c. 11, s. 1). Issues <sup>(1)</sup> to Home Departments .. .. .	1,734,800
Government Annuities Investment Fund—deficiency (19 & 20 Geo. 5 c. 29, s. 67(6)) .. .. .	250
Jersey and Guernsey—payments in respect of Crown revenues received into the Consolidated Fund (11 & 20 Geo. 6 c. 2) .. .. .	4,156,816
Repayment of post-war credits (including interest) (7 & 8 Eliz. 2 c. 28 and 1972 c. 41) .. .. .	23,172
Royal Mint—reimbursement for coins redeemed (1973 c. 63, s. 5(b)) .. .. .	53,837,579
Expenses of the Referendum for London (1998 c. 3) .. .. .	1,497,237
Expenses of Elections for the Scottish Parliament (1983 c. 2, s. 29, 1991 c. 11, s. 1, 1998 c. 46, s. 12) .. .. .	3,000,000
National Debt Commissioners: Court Funds Investment Account deficiency (1982 c. 53).. .. .	32,640,798
<b>TOTAL AMOUNT ISSUED FOR MISCELLANEOUS SERVICES</b>	<b>100,435,152</b>
<b>TOTAL .. .. .</b>	<b>237,828,909</b>

(<sup>1</sup>) Actual amounts expended are accounted for by the Home Departments (Home Office, Scottish Office and Northern Ireland Office).

**SECTION 3**  
**CONSOLIDATED FUND ASSETS**

**B10: SUMMARY**

	At 31 March 1998	Changes in year of account	At 31 March 1999
<b>INTERNATIONAL SUBSCRIPTIONS, ETC., WHICH CONSTITUTE ASSETS</b> (see details on page 30)	6,660,778,328	398,925,696	7,059,704,024
<b>AMOUNTS OUTSTANDING ON LOANS FROM VOTES</b> (see details on pages 31–32) .. .. .	14,049,959,842	-2,503,694,410	11,546,265,432
<b>ADDITIONAL ASSETS:</b>			
<b>Revenue collected but not yet paid over:</b>			
<b>Inland Revenue</b> .. .. .	47,043,097	-47,043,097	*
<b>Customs and Excise</b> .. .. .	169,384,352	-63,212,726	106,171,626
<b>Vehicle Excise Duty</b> .. .. .	*	173,687,084	173,687,084
<b>National Non-domestic Rates</b> .. .. .	1,329,552,015	-582,907,821	746,644,194
<b>Advances repayable to the Consolidated Fund:</b>			
<b>Contingencies Fund—advances outstanding<sup>(1)</sup>(<sup>2</sup>)</b> ..	577,000,000	-300,000,000	277,000,000
<b>Share sales—cash settlements outstanding<sup>(1)</sup>(<sup>2</sup>)</b> ..	70,126,647	-70,126,647	—
<b>PUBLIC DIVIDEND CAPITAL:</b>			
<b>British Shipbuilders<sup>(1)</sup></b> .. .. .	1,598,339,000	—	1,598,339,000
<b>Buying Agency</b> .. .. .	350,000	—	350,000
<b>Central Office of Information</b> .. .. .	265,000	—	265,000
<b>Companies House</b> .. .. .	15,889,000	—	15,889,000
<b>Defence Evaluation and Research Agency</b> .. .. .	274,500,000	900,000	275,400,000
<b>Driving Standards Agency</b> .. .. .	3,474,568	—	3,474,568
<b>Fire Service College</b> .. .. .	16,721,000	—	16,721,000
<b>Land Registry</b> .. .. .	61,544,662	—	61,544,662
<b>Medicines Control Agency</b> .. .. .	1,646,000	—	1,646,000
<b>Meteorological Office</b> .. .. .	58,867,000	—	58,867,000
<b>NHS Trusts — England</b> .. .. .	9,105,300,404	2,894,031,914	11,999,332,318
— <b>Scotland<sup>(1)</sup></b> .. .. .	1,396,213,000	—	1,396,213,000
— <b>Wales<sup>(1)</sup></b> .. .. .	576,477,940	234,136,451	810,614,391
<b>Patent Office</b> .. .. .	6,325,000	—	6,325,000
<b>Queen Elizabeth II Conference Centre<sup>(1)</sup></b> .. .. .	821,000	—	821,000
<b>Registers of Scotland</b> .. .. .	4,289,449	—	4,289,449
<b>Royal Mint</b> .. .. .	7,000,000	—	7,000,000
<b>Vehicle Inspectorate</b> .. .. .	20,330,500	—	20,330,500
<b>Welsh Development Agency</b> .. .. .	8,845,250	-275,000	8,570,250
<b>TOTAL</b> .. .. .	15,350,304,884	2,239,190,158	17,589,495,042
<b>TOTAL ASSETS EVALUATED</b> .. .. .	36,061,043,054	134,421,444	36,195,464,498

Other assets of the Consolidated Fund, not currently evaluated, are listed on pages 33–34.

\* See page 35.

<sup>(1)</sup> Revised.

<sup>(2)</sup> Approximate and gross of instalment discounts.

<sup>(3)</sup> In addition to £1,509,000 permanent capital of the Fund.

**CONSOLIDATED FUND ASSETS—continued**

**B11: INTERNATIONAL SUBSCRIPTIONS, ETC., WHICH CONSTITUTE ASSETS\***

	Amount outstanding at 31 March 1998	Amount outstanding at 31 March 1999
	£	£
<b>African Development Bank</b>		
Capital subscription .. .. .	18,629,154	18,629,154
African Development Fund .. .. .	161,405,678	180,499,153
<b>Asian Development Bank</b>		
Capital subscription .. .. .	27,355,722	27,489,551
Asian Development Fund .. .. .	245,147,264	277,086,302
<b>Caribbean Development Bank</b>		
Capital subscription .. .. .	6,228,100	6,291,305 <sup>(1)</sup>
Contribution to Special Development Fund .. .. .	28,352,923	30,465,879
<b>European Bank for Reconstruction and Development</b> .. .. .	164,164,606	179,241,250 <sup>(2)</sup>
<b>European Investment Bank</b>		
Capital subscription .. .. .	553,464,370 <sup>(3)</sup>	713,915,460 <sup>(5)</sup>
UK share of EIB reserve fund .. .. .	1,396,285,800 <sup>(4)</sup>	1,369,148,300 <sup>(6)</sup>
<b>Inter-American Development Bank</b>		
Capital subscription .. .. .	21,065,082	22,866,553 <sup>(7)</sup>
Fund for Special Operations .. .. .	198,237,883	104,970,522 <sup>(8)</sup>
<b>International Bank for Reconstruction and Development</b>		
Capital subscription .. .. .	256,492,611	259,811,808 <sup>(9)</sup>
Interest Subsidy Fund .. .. .	5,971,932	6,196,555 <sup>(10)</sup>
<b>International Development Association</b> .. .. .	3,562,223,215	3,733,267,321 <sup>(11)</sup>
<b>International Finance Corporation</b> .. .. .	72,866,527	75,607,262 <sup>(12)</sup>
<b>International Fund for Agricultural Development</b> .. .. .	48,804,644	50,959,178
<b>Multilateral Investment Guarantee Agency</b>		
Capital subscription .. .. .	3,140,352	3,258,471 <sup>(13)</sup>
<b>TOTAL</b> .. .. .	<b>6,660,778,328</b>	<b>7,059,704,024</b>

\* See also liabilities for payments outstanding in respect of international subscriptions, etc. on pages 36 and 37 and the statement of contingent liabilities on page 46.

<sup>(1)</sup> Includes US\$2,813,813 valued at £1 = \$1.6138 (closing middle market rate on 31 March 1999).

<sup>(2)</sup> Euro 267,981,800 valued at £1 = Euro 1.495090 (closing middle market rate on 31 March 1999).

<sup>(3)</sup> Cumulative paid in capital to 31 December 1998 Euro 827,479,050.

<sup>(4)</sup> Euro 2,087,573,364 valued at £1 = Euro 1.495090.

<sup>(5)</sup> By a decision of the EIB Board of Governors of 5 June 1998, the subscribed capital of the Bank was increased from Euro 62,013 million to Euro 100,000 million with effect from 1 January 1999. The paid-in capital was increased from Euro 4,652 million to Euro 6,000. This increase was fully funded from the Bank's reserves. The UK share of paid-in capital and the reserves is 17.8 per cent.

<sup>(6)</sup> Euro 2,047,000,000 valued at £1 = Euro 1.495090.

<sup>(7)</sup> US\$36,902,043.

<sup>(8)</sup> Includes US\$133,395,886.

<sup>(9)</sup> Includes US\$147,767,611

<sup>(10)</sup> US\$10,000,000

<sup>(11)</sup> Includes US\$8,196,250

<sup>(12)</sup> US\$122,015,000.

<sup>(13)</sup> US\$5,258,520.

valued at £1 = \$1.6138 (closing middle market rate on 31 March 1999).



**CONSOLIDATED FUND ASSETS—continued**

**B12: AMOUNTS OUTSTANDING ON LOANS FROM VOTES**

Vote	Title	Amount outstanding at 31 March 1998	Amount outstanding at 31 March 1999
		£	£
<i>Class I</i>			
1	Defence: operating and support costs .. .. .	32,161,750	23,064,750
2	Defence: logistics services .. .. .	30,021,562	21,505,747
3	Defence: systems procurement and research .. .. .	80,211,107	51,096,496
<i>Class II</i>			
2	Foreign and Commonwealth Office: other external relations ..	367,977	356,825
5	Foreign and Commonwealth Office—Overseas Development Administration: external assistance:		
	Bilateral .. .. .	1,051,646,597	1,005,157,546
	Multilateral .. .. .	66,706,582	328,100,269
<i>Class III</i>			
3	Ministry of Agriculture, Fisheries and Food: Agricultural animal health, arterial drainage, flood and coast protection .. ..	224,915	151,289
<i>Class V</i>			
1	Department of Trade and Industry: programmes and administration .. .. .	17,281,506	14,401,486
<i>Class VI</i>			
2	Department of the Environment, Transport and the Regions: Planning, roads, local transport and vehicle safety .. .. .	391,222,940	144,694,434
5	Department of the Environment, Transport and the Regions: administration <sup>(2)</sup> .. .. .	1,266,977	280,497
7	Department of the Environment, Transport and the Regions: other executive agencies .. .. .	19,464,106	19,298,015
<i>Class VII</i>			
1	Home Office administration, immigration, probation and police support services, England and Wales .. .. .	8,499,725	9,177,743
<i>Class IX</i>			
1	Department for Education and Employment: programmes and central services .. .. .	1,378,074,857	2,194,062,203
<i>Class X</i>			
1	Department for Culture, Media & Sport: Programme expenditure and administration .. .. .	824,735	824,735
<i>Class XI</i>			
1	Hospital, community health, family health services (part) and related services, England .. .. .	8,953,800,317	5,962,589,221
2	Department of Health: administration miscellaneous health services and personal social services, England .. .. .	1,649,902	1,646,000
<i>Class XIII</i>			
1	Agricultural services and fisheries, Scotland .. .. .	30,866,586	30,613,629
2	Local government, housing, transport, other environmental services and European funds, Scotland .. .. .	7,402,998	10,772,857
12	Hospital, community health, family health (part), and other health services, Scotland <sup>(1)</sup> .. .. .	1,364,112,515	1,316,974,422
	Carried forward .. .. .	13,435,807,654	11,134,768,164

<sup>(1)</sup> The previous year's holdings have been restated.

<sup>(2)</sup> The previous year's holdings for the Department of Transport: administration and transport services and the Department of the Environment: administration have been combined.

**CONSOLIDATED FUND ASSETS—continued****LOANS FROM VOTES—continued**

Vote	Title	Amount outstanding at 31 March 1998	Amount outstanding at 31 March 1999
	Brought forward .. .. .	£ 13,435,807,654	£ 11,134,768,164
<i>Class XIV</i>			
2	Industrial Support, Development Board for Rural Wales, housing subsidy, employment and training and education, Wales <sup>(1)</sup> ..	783,520	364,928
3	Roads and transport, housing, other environmental services, arts and libraries, health and personal social services and Welsh Office administration, Wales <sup>(1)</sup> .. .. .	2,640,326	2,500,847
4	Hospital, community health, family health, services and other health services (part), Wales <sup>(1)</sup> .. .. .	609,641,569	407,767,120
5	Local Government, Wales <sup>(1)</sup> .. .. .	7,340	3,991
<i>Class XVII</i>			
1	Cabinet Office: Office of Public Service and Science .. .. .	1,079,433	860,382
	TOTAL .. .. .	14,049,959,842	11,546,265,432

<sup>(1)</sup> The previous year's holdings have been restated.

**CONSOLIDATED FUND ASSETS—continued**

**OTHER ASSETS OF THE CONSOLIDATED FUND AT MARCH 1998 AND 1999**

**B13: SHARES AND OTHER SECURITIES (NOMINAL HOLDINGS)**

Department	Description of holding	Nominal value		
		31 March 1998	31 March 1999	
		£	£	
Ministry of Agriculture, Fisheries and Food	613 shares in various agricultural and other co-operative societies .. .. .	733	—	
	4,272 shares in Genus plc .. .. .	427	—	
	12,983 shares in Dairy Crest plc .. .. .	3,246	—	
	1,337 shares in National Milk Records plc .. .. .	602	—	
Ministry of Defence	AWE plc: £1 Preferential Share .. .. .	1	1	
	AWE Pensions Trustees Ltd: £1 Preferential Share .. .. .	1	1	
	British Shipping Federation Ltd: £1 7½% Non-Cumulative Irredeemable Preference Shares	55,040	55,040	
	Chamber of Shipping: £1 7½% Non-Cumulative Irredeemable Preference Shares	688	688	
	International Military Services Ltd: Shares at cost .. .. .	19,999,999	19,999,999	
	Royal Dockyard Devonport plc: £1 Preferential Share .. .. .	1	1	
	Royal Dockyard Rosyth plc: £1 Preferential Share .. .. .	1	1	
	Department of the Environment, Transport and the Regions	BAA: £1 Special share .. .. .	1	1
		Docklands Light Railway: £1 Share .. .. .	100	100
DoT Share offer (No. 1): £1 Share .. .. .		—	2	
DoT Share offer (No. 2): £1 Share .. .. .		—	2	
Eurostar (UK) Ltd: £1 Special Share .. .. .		—	1	
Intercapital and Regional Rail Ltd: £1 Special Share .. .. .		—	1	
London & Continental Railways Ltd: 25p Special Shares .. .. .		—	1	
Mersey Conservancy: 10% Conversion Stock 1999 .. .. .		1,470	—	
Railsale Ltd: £1 Ordinary shares .. .. .		100	100	
Railtrack Ltd: 4,087,165 25p shares .. .. .		1,021,896	1,021,791	
Railtrack Share Offer: £1 Share .. .. .		—	2	
Sealink Stena Line Ltd: Preference Share .. .. .		1	1	
Foreign and Commonwealth Office		Holding of shares in Chilean schools .. .. .	4,900	4,900
		Calcutta Clinic .. .. .	279	268
		Jakarta International School Bond .. .. .	14,881	22,372
	Caracus School .. .. .	—	794	
	Quito School .. .. .	—	8,384	
	Santiago School .. .. .	—	360	
Home Office	HM Prison Service holdings: 38,814 Dairy Crest shares .. .. .	9,704	9,704	
	12,771 Genus shares <sup>(1)</sup> .. .. .	1,277	1,277	
	3,998 National Milk Record shares .. .. .	400	400	
Inland Revenue	Holdings of miscellaneous foreign bonds and shares in companies .. .. .	644,668	821,910	
Scottish Office	West Highlands Crofters and Farmers Ltd .. .. .	10	10	
Department of Trade and Industry	AEA Technology plc: £1 Special Rights Preference Share .. .. .	1	1	
	British Aerospace plc: £1 Special Rights Preference Share .. .. .	1	1	

<sup>(1)</sup> The previous year's holdings have been restated.

**CONSOLIDATED FUND ASSETS—continued**

**SHARES AND OTHER SECURITIES (NOMINAL HOLDINGS)**

Department	Description of holding	Nominal value	
		31 March 1998	31 March 1999
		£	£
Department of Trade and Industry— (continued)	British Energy plc:		
	£1 Special Shares .. .. .	1	1
	£1 Ordinary Shares .. .. .	5,008,811	5,006,246
	British Nuclear Fuels plc:		
	£1 Ordinary Shares .. .. .	32,668,243	32,668,243
	Cable and Wireless:		
	£1 Special Rights Redeemable Preference Share .. .. .	1	1
	National Grid Group plc:		
	£1 Special Rights Redeemable Preference Share .. .. .	1	1
	National Power plc:		
	£1 Special Rights Redeemable Preference Share .. .. .	1	1
	Nuclear Electric plc:		
	£1 Ordinary Share .. .. .	1	1
	PowerGen plc:		
	£1 Special Rights Redeemable Preference Share .. .. .	1	1
Rolls Royce Ltd:			
£1 Special Share .. .. .	1	1	
United Kingdom Accreditation Service:			
£1 Ordinary share .. .. .	1	—	
United Kingdom Nirex Ltd:			
£1 Special Share .. .. .	1	1	
HM Treasury	Bank of England:		
	Capital Stock .. .. .	14,553,000	14,553,000
	BAA plc:		
	£1 Ordinary shares .. .. .	660	660
	British Airways plc:		
	25p Ordinary shares .. .. .	30	30
	British Energy:		
	Bonds 2003 .. .. .	101,923,000	101,923,000
	Bonds 2006 .. .. .	144,291,000	144,291,000
	Bonds 2016 .. .. .	105,407,000	105,407,000
	British Telecommunications plc:		
	25p Ordinary Shares .. .. .	2,676,291	2,676,291
	National Power plc:		
	50p Ordinary Shares .. .. .	3,328,679	389,381
	Powergen plc:		
	50p Ordinary Shares .. .. .	2,631,145	678,710
	Railtrack Ltd:		
Bonds 2006 .. .. .	694,000	694,000	
Bonds 2016 .. .. .	516,000	516,000	
Scottish Power plc:			
Bonds 2001 .. .. .	142,000,000	142,000,000	

**B14: CONSOLIDATED FUND LIABILITIES**

	Outstanding at 31 March 1998	Changes in year of account	Outstanding at 31 March 1999
	£	£	£
Liability to the National Loans Fund under section 19(1) of the National Loans Act 1968 (see page 55) .. ..	362,596,378,272	-1,531,107,869	361,065,270,403
Other liabilities to the National Loans Fund:			
Payments from Votes for married quarters for Armed Forces .. .. .	61,297,049	-1,129,991	60,167,058
Post-war credits outstanding (approximate) .. .. .	33,245,000	-15,000	33,230,000
Accrued interest on post-war credits outstanding (approximate).. .. .	12,635,000	-10,000	12,625,000
Revenue paid over in advance of collection:			
Inland Revenue .. .. .	—†	177,908,934	177,908,934
Vehicle Excise Duty .. .. .	13,825,158	-13,825,158	—†
Payments outstanding in respect of international subscriptions, etc. (see page 29)			
African Development Fund			
Promissory notes issued .. .. .	95,192,164	10,395,117	105,587,281
Contributions due .. .. .	29,488,592	-29,488,592	—
Asian Development Fund			
Promissory notes issued .. .. .	120,530,297	-15,187,357	105,342,940
Contributions due .. .. .	50,255,044	-16,751,681	33,503,363
Caribbean Development Bank			
Capital subscription:			
Promissory notes issued .. .. .	1,284,080 <sup>(1)</sup>	48,298	1,332,378 <sup>(1)</sup>
Special Development Fund			
Promissory notes issued .. .. .	15,879,292	537,044	16,416,336
Contributions due .. .. .	7,613,127	-4,963,127	2,650,000
European Bank for Reconstruction & Development			
Promissory notes issued .. .. .	—	7,690,908	7,690,908 <sup>(2)</sup>
Contributions due .. .. .	123,123,487	-3,273,177	119,850,310 <sup>(3)</sup>

<sup>(1)</sup> US\$2,150,192 valued at £1 = \$1.6138 (closing middle market rate on 31 March 1999).

<sup>(2)</sup> Euro 11,498,660 valued at £1 = Euro 1.495090 (closing middle market rate on 31 March 1999).

<sup>(3)</sup> Euro 179,187,000 valued at £1 = Euro 1.495090 (closing middle market rate on 31 March 1999)

† See page 29.

**B14: CONSOLIDATED FUND LIABILITIES—continued**

	Outstanding at 31 March 1998	Changes in year of account	Outstanding at 31 March 1999
	£	£	£
<b>Payments outstanding in respect of international subscriptions, etc. (see page 29)—continued</b>			
<b>European Investment Bank</b>			
Contributions due .. .. .	—	—	— <sup>(1)</sup>
<b>Inter-American Development Bank</b>			
Capital subscription:			
Promissory notes issued .. .. .	1,945,131	-935,986	1,009,145 <sup>(2)</sup>
Contributions due.. .. .	1,937,971	-936,297	1,001,674 <sup>(3)</sup>
<b>Fund for Special Operations</b>			
Promissory notes issued .. .. .	6,281,275	-3,680,214	2,601,061
Contributions due.. .. .	112,100	-56,050	56,050
<b>International Bank for Reconstruction and Development, as Trustee of Global Environment Trust Fund</b>			
Promissory notes issued .. .. .	73,621,000	11,722,500	85,343,500
Contributions due.. .. .	85,250,000	-21,312,500	63,937,500
<b>International Bank for Reconstruction and Development, as Payee for the Montreal Protocol Multilateral Fund</b>			
Promissory note issued .. .. .	8,346,523	626,685	8,973,208 <sup>(4)</sup>
<b>International Development Association</b>			
Promissory notes issued .. .. .	484,010,000	128,290,000	612,300,000
Contributions due.. .. .	299,150,000	-299,150,000	—
<b>International Fund for Agricultural Development</b>			
Promissory notes issued .. .. .	14,157,357	2,374,390	16,531,747
Contributions due.. .. .	—	4,528,924	4,528,924
<b>United Nations Environment Programme, as Treasurer of Montreal Protocol Multilateral Fund</b>			
Promissory notes issued .. .. .	871,575	-871,575	—
Contributions due.. .. .	11,664,541	-5,612,901	6,051,640 <sup>(5)</sup>
<b>Payments outstanding in respect of overseas aid grants and loans</b>			
Bilateral grants .. .. .	938,585,085	142,398,380	1,080,983,465
Bilateral loans .. .. .	773,087	-396,429	376,658
<b>Overseas aid: miscellaneous pledges (rounded) .. .. .</b>	<b>366,667</b>	<b>-183,333</b>	<b>183,334</b>

<sup>(1)</sup> By a decision of the EIB's Board of Governors of 5 June 1998, the Bank's paid-in capital was increased from £4,652 million to £6,000 million to take effect from 1 January 1999. This increase was fully funded from the Bank's reserves.

<sup>(2)</sup> US\$1,628,559

<sup>(3)</sup> US\$1,616,502

<sup>(4)</sup> US\$14,480,963

<sup>(5)</sup> US\$9,766,137

} valued at £1 = \$1.6138 (closing middle market rate on 31 March 1999).

## B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES OF THE CONSOLIDATED FUND

### Contingent Liabilities

The statement summarises contingent liabilities of the Consolidated Fund reported by government departments, excluding:

- (a) cases involving £100,000 or less;
- (b) cases arising in the normal course of departments' business;
- (c) a small number of other cases, of which details have been supplied to the National Audit Office, where there are considerations of national security, or commercial confidentiality, or where public knowledge of a guarantee could prompt claims from third parties.

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>MINISTRY OF AGRICULTURE, FISHERIES AND FOOD</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Agriculture Act 1967, Section 64 and secondary legislation.	Bank loan guarantees given by the Agriculture Credit Corporation to credit-worthy farmers and growers.	1.7	1.6
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Non-statutory obligations to ex-MAFF employees.	0.3	0.3
	Indemnity against all actions, claims, demands, costs and expenses made against the National Institute for Agricultural Botany arising out of their contract with MAFF, in excess of £5 million per claim. Indemnity limited to claims made before 31 March 1998.	Unquantifiable	Unquantifiable
	Provision of top-up funds for employees and former employees of the National Institute for Agricultural Botany (NIAB) who are not members of the NIAB pension fund, and who, on departure from NIAB wish to transfer their existing benefits to another public sector scheme.	0.1	0.1
<b>CABINET OFFICE</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Domestic antique silver on loan to the Prime Minister's office.	1.1	0.5
<b>HOUSE OF COMMONS</b>	Indemnities for works of art on loan to the Houses of Parliament.	4.7	4.7
<b>MINISTRY OF DEFENCE</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Ordnance Factories and Military Services Act 1984, Section 16	Statutory liabilities in relation to the operation of International Military Services Ltd.	Statutory limit £50m (£100m with Commons approval)	Statutory limit £50m (£100m with Commons approval)
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Liability in respect of assurances given to an overseas Government relative to a sales contract for certain military equipment and spares between that Government and International Military Services Ltd.	16.0	1.0
	Residual liability for the remediation of unidentified contamination in parts of the former Rosyth Naval Base which has been sold to Rosyth 2000 plc.	0.5	up to 1.0
	Liability to the Saudi Government to destroy UK supplied JP 233s and provide 100 ex-RAF Paveway 3s following the signature and ratification by HMG of the Ottawa Convention on Landmines.	up to 50.0	up to 17.0
	Termination liabilities arising out of MOD's association with the Research Council under the Joint Grants Scheme.	up to 12	up to 10

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>MINISTRY OF DEFENCE—continued</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>		
	Indemnity given to the Federal Republic of Germany in respect of additional costs which might be incurred by Messerschmitt-Bolkow-Blohm/Dornier (now part of Daimler Chrysler Aerospace) in the event of delays in the development of the European Collaborative Radar 90 for the Eurofighter 2000.	80.0*	80.0*
	Indemnity given in relation to the disposal of Gruinard Island in the event of claims arising from the outbreak of specific strains of anthrax on the Island.	Unquantifiable	Unquantifiable
	Liabilities arising from insurance risk of exhibits on loan to the Army and Navy Museums.	1.1	0.902
	Contractorisation of AWE: indemnity to Hunting - BRAE Ltd in respect of nuclear risks under the Nuclear Installation Act 1965.	Up to 140 per incident	Up to 140 per incident
	Contractorisation of AWE: indemnity to Hunting - BRAE Ltd in respect of non-Nuclear Installation Act nuclear risks resulting from claims for damage to property or death and personal injury to a third party.	Unquantifiable	Unquantifiable
	Contractorisation of AWE: indemnity to Hunting - BRAE Ltd in respect of non-nuclear risks.	Unquantifiable	Unquantifiable
	Indemnity to Devonport Royal Dockyards Ltd (DRDL) in respect of nuclear risks under the Nuclear Installation Act 1965.	Up to 140 per incident	Up to 140 per incident
	Indemnity to the Babcock Group in respect of nuclear risks under the Nuclear Installation Act 1965.	Up to 140 per incident	Up to 140 per incident
	Indemnities to Devonport Royal Dockyards Ltd (DRDL) and to the Babcock Group in respect of non-nuclear risks resulting from claims for damage to property or death and personal injury to third party.	Up to 140 per incident	Unquantifiable
	Product liability to British Aerospace in respect of work carried out by third party contractors on aircraft for which BAe are Design Authority and for which BAe, at MOD's request provide the third party contractor with design advice and verification.	Unquantifiable	Unquantifiable
	Liabilities arising from the sale of Married Quarters estate to the Annington Group: to continue to provide utilities - mainly electricity, gas, water and sewerage services on repayment terms to sites that are surrendered in the first 25 to 28 years which depend on adjacent bases for these services; or to contribute to the cost of installing 'public' utility services, up to a maximum of £25 million across the estate.	25.0	25.0
	Indemnity to SERCO to meet the cost of redundancy liability for ex-MOD staff transferred to the company with the contract for the operation and maintenance of Tracking and Surveillance Radar, Telemetry equipment and other services at Royal Artillery Ranges Hebrides.	1.41	1.41
	Liability arising out of an agreement with NAAFI to compensate the company for any overall losses resulting from the actions or policies of MOD leading to a cessation of certain core requirements.	25	37

\* Represents sterling equivalent of DM200M which is subject to exchange rate movements.



**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT FOR EDUCATION AND EMPLOYMENT</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>			
Education Act 1996, Section 483	City Technology Colleges. In each case where a Funding Agreement has been signed, the Secretary of State has entered into an indemnity to cover specified categories of expenditure in the event that the holder of his office terminates the agreement for reasons other than its breach by the CTC.	Unquantifiable	Unquantifiable
Employment and Training Act 1973, Sections 2 and 3	Career Development and small firms training Loans portfolio guarantee.	10.0	16.7
Teachers' (Compensation for Redundancy and Premature Retirement) Regulations 1989	Under this statute, the Secretary of State for Education and Employment is the compensating authority for a grant-maintained school for the purposes of paying PRC, and is able to claim back the costs from the school. If a school closes, the Secretary of State will remain responsible for any outstanding costs.	Unquantifiable	Unquantifiable
<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>			
	Grant-maintained schools unable to obtain commercial insurance cover.	27.5	16.4
	Guarantee to meet shortfall between rent liability and income accruing to Open University, following agreement to takeover lease of the former Council of National Academic Awards headquarters.	3.5	3.5
	Secretary of State's legal requirement in respect of Remploy, a company limited by guarantee.	Unquantifiable	Unquantifiable
	The Department will meet the accrued Civil Service redundancy entitlement to date of resignation of secondees who resigned from the Department to take up Training and Enterprise (TEC) employment on or after 1 January 1993 in TECs in England and Wales if:	11.8	11.8
	a. their TEC makes them redundant due to direct government action during their first five years of employment.		
	b. a court or tribunal ever ruled that TEC and civil service employment were continuous for redundancy calculation purposes.		
	Two liabilities arising from the administrative receivership of South Thames Training and Enterprise Council (STTEC):	2.0	0
	a. to existing providers.		
	b. to the administrative receiver acting on the department's behalf.		
<b>DEPARTMENT OF THE ENVIRONMENT, TRANSPORT AND THE REGIONS</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>			
London Docklands Railway (City Extension) Act 1986, section 24(14)	Dispute between DLR Ltd and Railtrack over the valuation for land compensation in respect of the Royal Mint Street site.	15.0	20.0
Housing Association Act 1985, Section 84	Indemnity of building society mortgages for shared ownership schemes.	2.4	1.3

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF THE ENVIRONMENT, TRANSPORT AND THE REGIONS—continued</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>			
Water Act 1989, Section 173	Environment Agency remnant Pension Fund responsibilities.	Unquantifiable	Unquantifiable
Merchant Shipping Act 1988, Section 26	Industrial injuries to trainees under the Merchant Navy Training Scheme and the Development of Certified Seafarers (DOCS) Scheme.	0.3	0.3
Channel Tunnel Act 1987, Sections 25, 26 and 29	Potential liabilities in the event of termination of Eurotunnel's concession.	Unquantifiable	Unquantifiable
Marine and Aviation Insurance Act 1952, Section 1	Government war risk reinsurance for British shipowners insuring their vessels with the British Mutual War Risks Association (Clubs). Under the current agreement with the Clubs, the Government provides 95% reinsurance for Queens Enemy Risks (QER). A contingent liability arises from the continuous QER cover for the hull and machinery value of British flag vessels entered with the Clubs.	Unquantifiable	Unquantifiable
Railways Act 1993, Schedule 11, paragraph 11	Guarantee to the Trustee of the Railways Pension Scheme in respect of any deficit arising in the Pensioners (A) and (B) sections of the Railways Pension Scheme now merged as the 1994 Pensioners section.	Unquantifiable	Unquantifiable
Transport Act 1962, Section 2(1)	Guarantee of British Waterways temporary borrowing.	3.0	3.0
Transport Act 1980, Part III	Reimbursement to NFC plc pension trustees of pension payments covering unfunded pension service with NFC before 1 April 1975.	57.5	52.3
Transport Act, 1978, section 21; Transport Act 1980, Schedule 6	Reimbursement to NFC plc and its subsidiaries, of the costs of providing travel concessions to staff previously employed by the road transport division of British Rail.	23.9	21.7
Transport Act 1980, Part III	Reimbursement to trustees of railway pension schemes, pension payments covering unfunded pension service with British Rail before 1 January 1975.	550.0	500.0
<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>			
	Indemnities provided by the United Kingdom Atomic Energy Authority to shipowners against third party claims arising from dumping of radioactive waste at sea.	Unlimited	Unlimited
	Possible adjustment to receipt for sale of Housing Corporation loan portfolio.	Unquantifiable	Expired
	General Lighthouse Authorities' Pension Funds.	163.0	163.0
	Reinstatement of International Maritime Organisation (IMO) building, abatement of rent if IMO building destroyed; and rehusing of IMO during rebuilding.	102.3	102.3
	Potential liabilities to National Bus Company (NBC) pensioners. The Pensions Ombudsman issued determinations in 1996 and 1997 which required the NBC Pensions Trustees (NBPT) to seek recovery from the Department of the surplus from the NBC Pension Schemes plus interest. A proposed settlement figure has been made to the NBC Pension Trustees.	121.7	355.8
	Sponsorship of the Civil Aviation Authority (CAA). The Air Travel Trust, which is administered by the CAA as Trustees, provides protection for air-package holiday makers in the event of a collapse of tour operators whose resources are insufficient to meet claims. A Government guarantee has been given to the Fund so that the Trustees may borrow from the Banks, if the need arises.	21.0	21.0
	Letter of comfort in February 1999 to Devon County Council offering reimbursement of compensation costs if revocation of a planning permission for sand and gravel extraction at Blackhill Quarry proves necessary.	0	Unquantifiable
	Channel Tunnel Rail Link - Government guaranteed bonds.	0	3,750.0
	Channel Tunnel Rail Link - Track Access Payments.	0	Up to 360.0

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF THE ENVIRONMENT, TRANSPORT AND THE REGIONS—continued</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>		
	North Atlantic Treaty Organisation (NATO) agreement relating to the indemnification of civil aircraft in respect of their use on NATO tasks in times of crises and war.	Unquantifiable	Unquantifiable
	Guarantee in respect of obligations arising from leases of European Night Stock by Eurostar (UK) Ltd.	Up to a maximum of 112.0	expired
	Guarantee in respect of obligations of Eurostar (UK) Ltd at Ashford International Passenger Station.	133.0 (over a period of next 24 years)	133.0 (over a period of next 23 years)
	Guarantee in respect of leases entered into for Class 465 Electrical Multiple Units for Network South East, following disposal of the rail rolling stock companies.	Up to a maximum of 211.0	Up to a maximum of 211.0
	BR as a going concern—Assurance given to Board that adequate Government funds will be made available to meet any financial obligations arising from the BR Board's present or future liabilities, or liabilities arising from past transactions, events and circumstances.	Unquantifiable	1,644.8
	Letter of comfort in May 1997 to Kent County Council offering reimbursement of compensation costs for revocation/modification of a planning permission for dredging disposal at Barksore Marshes proves necessary.	Unquantifiable	0.3
<b>EXPORT CREDITS GUARANTEE DEPARTMENT</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Export and Investment Guarantees Act 1991			
Section 1	Credit Insurance guarantees, including Tender to Contract cover, also guarantees given to minimise loss, refinancing sovereign debt or reduce interest support costs.	26,389.6	27,849.4
Section 1	Commitment to take out export loans in foreign currencies made:		
	a. before December 1984.	42.7	43.7
	b. since December 1984.	3,919.3	3,937.3
Section 1	Commitments to take out loans funded by Guaranteed Export Finance Corporation (GEFCO).	1,016.0	1,016.0
Section 1	Overseas Aid.	0.8	0.8
Section 2	Overseas investment insurance.	520.4	816.9
Section 3	Guarantees to refinance Sovereign Debt or reduce/contain Interest Support costs.	1,297.6	1,363.3
Section 3	Commitments to take out loans funded by GEFCO.	1,166.6	1,144.8
Section 3	Swap Counterparty exposure.	518.8	709.3
<b>FOREIGN AND COMMONWEALTH OFFICE</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Indemnities against loss or damage given by the Commonwealth Institute to the owners of objects exhibited on its premises.	0.3	0.3
	Indemnities given by British Council to the owners of objects exhibited overseas against loss or damage.	13.0	5.0
	Contractual liability of the BBC to Merlin Communications International Limited resulting from the privatisation of the BBC's Overseas transmission business.	50.0	30.0

All non-sterling amounts have been converted into sterling at the appropriate exchange rates on 31 March 1998.

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>FOREIGN AND COMMONWEALTH OFFICE—continued</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Commonwealth Institute Act 1958	Commonwealth Institute: liability for maintenance of building and other statutory requirements, in the event of closure.	0.9	0.9
Departmental Minute on 30/7/98	Anglo-American school of Moscow: authorisation to the school to pledge its assets as security on a loan to a consortium of banks.	0	Unquantifiable
<b>DEPARTMENT OF HEALTH</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Water Act 1991	An indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from fluoridation.	Unquantifiable	Unquantifiable
NHS and Community Care Act 1990. Section 64 and Schedule 3	Overdraft guarantees for NHS Trusts.	45.9	37.5
Regulation 2(a) of the Employers Liability (Compulsory Insurance) (Amendment) Regulations 1974	The Department has issued an exemption Certificate to the National Radiobiological Protection Board in respect of any liability to its employees of the kind mentioned in Section (1) of the Employers Liability (Compulsory Insurance) Act 1969.	Unquantifiable	Unquantifiable
Regulation 2(a) of the Employer's Liability (Compulsory Insurance Amendments) Regulations 1974	The Department has issued an exemption certificate to the National Biological Standards Board in respect of any liability to its employees of the kind mentioned in section (1) of the Employer's Liability (Compulsory Insurance) Act 1969.	n/a	Unquantifiable
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	An indemnity to water undertakers in respect of costs, damages and expenses not otherwise covered by insurance arising from claims or proceedings on the grounds of alleged harm to health arising solely from supplying water which has been fluoridated by another water undertaker and which therefore is not covered by the statutory guarantee.	Unquantifiable	Unquantifiable
	The Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from trials of a whooping cough vaccine developed by the Microbiological Research Authority.	Unlimited	Unlimited
	The Department has undertaken to meet the cost of compensation payments arising from claims for injury arising from the Immunisation of voluntary donors with specialised immuno-globulins subsequently harvested and used in the treatment of haemolytic diseases of newborn babies.	Unlimited	Unlimited
	In the event of a nuclear emergency it would be necessary to distribute stable iodine tablets to the general public to prevent the uptake of radioactive iodine. The Department has undertaken to indemnify those other than qualified medical personnel distributing the tablets against any action resulting from adverse reactions.	Unquantifiable	Unquantifiable
	The Government originally paid £42 million to a Trust from which payments are made to Haemophiliacs infected with HIV virus following treatment by the NHS with infected blood products. The Department has agreed to pay to the Trust any sums required to make payments if the funds already provided prove insufficient.	Unquantifiable	Unquantifiable
	A letter which the Department sent to the Association of British Health Care Industries on 9 June 1992 may be construed as a letter of comfort in respect of contracts entered into by NHS Trusts and hence result in a non-statutory liability. The letter was withdrawn on 17 August 1993 but a residual contingent liability may remain in respect of contracts entered into between the issue of the letter and its withdrawal.	Unlimited	Unlimited

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF HEALTH—continued</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>		
	The Department has undertaken to meet legal and other costs of medical and nursing staff engaged on clinical trials approved by the National Blood Authority of new blood products manufactured by the Bio-Products Laboratory a part of the NBA, and the costs of any claims for damages from patients arising from clinical trials of the new products.	Unquantifiable	Unquantifiable
	To cover the cost of the Family Fund meeting its duties, under legislation to its staff in the event of it being wound up by the Government.	0.5	0.5
	An indemnity to Higher Education providers to cover a proportion of any redundancy costs, which may arise in respect of pre-registration nurse education, which has now moved to a higher education sector, should a contract of education not be renewed.	60.0	60.0
	The Department was found negligent in failing to stop treating patients with Human Growth Hormone by 1 July 1977—at a time when possible consequences should have been apparent. Compensation will need to be paid to patients treated after this date who subsequently die from CJD.	Unquantifiable	Unquantifiable
<b>HOME OFFICE (HM Prison Service)</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Crown as insurers of last resort in respect of contracts to design, construct, manage and finance new prisons.	Unquantifiable	Unquantifiable
<b>HOME OFFICE (Police)</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Departmental Minute laid on 19/11/99	The Home Office for the Police Information Technology Organisation (an NDPB) has agreed to underwrite/reimburse British Telecom for the cost of the pilot scheme for the Public Safety Radio Communications Project (a P.F.I. Project), if B.T. is not awarded the contract.	n/a	up to 10.5
<b>LORD CHANCELLOR'S DEPARTMENT</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Collection of paintings and works of art.	1.3	1.5
<b>DEPARTMENT FOR CULTURE, MEDIA AND SPORT (FORMERLY THE DEPARTMENT OF NATIONAL HERITAGE)</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
National Heritage Act 1980, Section 16	Government Indemnity Scheme. Works of art on loan to:		
	British Museum	47.3	5.4
	Imperial War Museum	1.4	2.2
	National Gallery	398.9	618.3
	National Maritime Museum	16.9	18.1
	National Museums and Galleries on Merseyside	16.7	16.8
	National Portrait Gallery	4.2	18.6
	National Museum of Science and Industry	86.5	88.1
	Tate Gallery	240.8	428.7
	Victoria & Albert Museum	103.6	86.4
	Non-national museums and galleries and other UK institutions	507.2	894.0
	South Bank Centre	48.9	3.4
	British Library	53.2	33.1
	Crafts Council	1.0	—
	English Heritage	24.3	14.3
	Royal Armouries	4.3	3.0
	Wallace Collection	0.1	—

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT FOR CULTURE, MEDIA AND SPORT (FORMERLY THE DEPARTMENT OF NATIONAL HERITAGE)—continued</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>			
Broadcasting Act 1990, Schedule 9, Paragraph 10	The Broadcasting Act provides for the division of the IBA's assets between the ITC, Radio Authority and National Trans-communications Limited. If any liabilities crystallise after the transfer date and cannot be transferred to one of the successor bodies they shall be met by the residual IBA. Any sums required by the IBA to discharge such liabilities are to be paid by the Secretary of State.	Unquantifiable	Unquantifiable
<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>			
Departmental Minute dated 10 June 1997	Increasing the level of the Indemnity cover on the Henry Moore sculpture "Knife Edge" from £75k to £1m.	1.0	1.0
Departmental Minute dated 24 November 1997	Setting a level of unquantifiable compensation to be paid in the event that the temporary right of way between Hampton Hill Gate to Upper Lodge, Bushey Park is revoked.	Unquantifiable	Unquantifiable
	Indemnities granted in respect of works of art on loan to the Government Art Collection.	9.0	7.0
	Sale of National Transcommunications Limited (NTL). Indemnity against cost of legal fees as a result of NTL Directors' participation in preparation of Information Memorandum and profit forecast. Indemnity excludes negligence recklessness and fraud.	Unquantifiable	Unquantifiable
	Deed of indemnity between the Secretary of State for National Heritage, BSF and BSF's then newly-acquired subsidiary companies.	Unquantifiable	Unquantifiable
	Deed of indemnity between the Royal Armouries and the British Waterways Board relating to the condition of the site of the new Royal Armouries Museum in Leeds.	Unquantifiable	Unquantifiable
	The Chatham Historic Dockyard Trust has been provided with an assurance of funding to cover their current and prospective revenue deficit. This is to satisfy a requirement from the Heritage Lottery Fund following the Trust's request for capital funding.	0.3	0.3
	For reasons of constitutional principle it is not possible for the Government to provide a formal indemnity under the National Heritage Act 1980 for loans from the Royal Collections. The Government has therefore given an undertaking to Her Majesty that, in the event of loss of, or damage to, items on loan from the Royal Collections, it would be prepared to seek Parliamentary authority for compensation comparable to that available to private lenders. Works of art on loan from the Royal Collections to:		
	British Museum	6.9	11.7
	English Heritage	10.1	20.1
	National Gallery	13.1	21.7
	National Maritime Museum	0.8	1.3
	Royal Armouries	1.6	1.6
	Victoria & Albert Museum	31.4	56.7
	Non-National museums and galleries and other UK institutions	1.9	61.3
	National Museum of Science and Industry	0.2	0.2
	South Bank Centre	9.6	—
	Actual liability created by assurance of capital funding for Somerset House Limited for four years between 1997–98 and 2000–01.	3.5	3.0
Parliament informed by Departmental Minute dated 21.04.98	Liability created by an assurance of capital funding for the Greenwich Foundation for the RNC for 7 years between 1998–99 and 2004–2005	n/a	14.0

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF NATIONAL SAVINGS</b>			
<b>STATUTORY LIABILITIES CHARGED DIRECTLY ON THE CONSOLIDATED FUND</b>			
National Savings Bank Act 1971, Section 25	If at any time claims in respect of ordinary deposits cannot be met, the Treasury shall provide the Director of Savings with such sum out of the Consolidated Fund as is necessary to meet them.	4.6	4.6
<b>OFFICE OF PASSENGER RAIL FRANCHISING</b>			
<b>STATUTORY LIABILITIES CHARGED DIRECTLY ON THE CONSOLIDATED FUND</b>			
1993 Railways Act, Section 29(5)	Liabilities within franchise agreements for 25 Train operating companies		
	(i) VAT on Passenger Fares	Up to 260.0 per year	Up to 260.0 per year
	(ii) Track Access Review		
	(iii) Station Charging Review		
	(iv) Competition Review		
	(v) Load Factors		
	(vi) Mandatory Modifications		
1993 Railways Act, Section 29(5)	Liabilities in direct agreements with:		
	(a) Rolling Stock Companies (ROSCOS):	Unquantifiable	Unquantifiable
	(i) Premature termination of a rolling stock lease		
	(ii) Premature termination of franchising agreement (existing stock)		
	(iii) Option to call a new contract when reletting franchises (new stock)		
	(iv) Change to terms of option and the further option (new stock)		
	(b) SPARESCO: Ensure pool of spare parts remains available		
	(c) RAILPART: Requirement to enter spares part supply contract		
	(d) RACAL-BR TELECOMMUNICATIONS: Covers notice period if franchise terminated		
	(e) ABB CUSTOMER SUPPORT: Covers entering into new contract.		
<b>DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (FORMERLY THE OVERSEAS DEVELOPMENT ADMINISTRATION)</b>			
Overseas Development and Cooperation Act 1980	African Development Bank callable capital (197.43m UoA).	161.8	161.8
Overseas Development and Cooperation Act 1980	Asian Development Bank callable capital (\$906.7m).	541.5	559.7
Overseas Development and Cooperation Act 1980	Caribbean Development Bank callable capital (\$49m).	29.3	30.2
Overseas Development and Cooperation Act 1980	Inter-American Development Bank callable capital (\$805m).	480.8	496.9
Multilateral Investment Guarantee Agency Act 1988	Multilateral Investment Guarantee Agency Promissory Note (\$5.26m). Callable capital (\$42m).	3.1 25.1	3.2 25.9
Overseas Development and Cooperation Act 1980	Guarantees to the International Bank for Reconstruction and Development (IBRD) for subloans made by Caribbean Development Bank to UK dependent territories and associated states (\$0.9m).	0.5	0.5
Overseas Development and Cooperation Act 1980	European Bank for Reconstruction and Development (EBRD) callable capital (ECU 1,256.3m).	807.1	832.4

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (FORMERLY THE OVERSEAS DEVELOPMENT ADMINISTRATION)—continued</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>			
Overseas Development and Cooperation Act 1980	Maintenance of value of subscriptions paid to capital stock of regional development banks and funds.	Unquantifiable	Unquantifiable
	Guarantees in respect of Hong Kong:		
Hong Kong (Overseas Public Servants) Act 1996	Sterling Safeguard Scheme to protect value of public service pensions.	115.0	10.7
Crown Agents Act 1979	Crown Agents Holding and Realisation Board:		
	Counter indemnity to Lloyds Bank.	28.1 (as at 31.12.97)	28.1 (as at 31.12.98)
	Possible recovery of tax repaid to English and Continental Property Ltd.	2.0 (as at 31.12.97)	2.0 (as at 31.12.98)
Commonwealth Development Corporation Acts 1978–1986	Guarantee of bank borrowing for CDC non- consolidated subsidiaries and other companies	0.3 (as at 31.12.87)	Nil*
	ODA guarantee of borrowing by CDC (Euro) from European Investment Bank (ECU 35m).	22.5	23.2
<b>STATUTORY LIABILITIES CHARGED DIRECTLY ON THE CONSOLIDATED FUND</b>			
Overseas Development and Cooperation Act 1980	IBRD callable capital (\$7,832m).	4,677.2	4,834.6
<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>			
	European Community:		
	UK Share of European Community Member States collective guarantees of European Investment Bank (EIB) lending under Lome Conventions (including second half of Lome IV) and parallel Council Decisions on the association of the Overseas Countries and Territories (ECU 526.8m).	338.4	349.04
	UK national guarantees for EIB lending to UK dependent territories (ECU 7.4m).	4.7	3.1
	Indemnities to University of Greenwich in respect of the transfer of ownership of the National Resources Institute.	Unquantifiable	Unquantifiable
	Tax indemnities to commercial banks under Aid and Trade Provision soft loan financing arrangements for projects in developing countries.	20.8	21.0
	DFID (then ODA) issued a guarantee in March 1994 to a company operating on a capital aid project in Mozambique to meet the cost of certain disputed claims.	3.0 (maximum)	3.0 (maximum)

\*CDC is now a statutory corporation responsible for its own finances.



**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>SCOTLAND</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>			
Housing (Scotland) Act 1988, Section 2(2)	Working capital guarantees for housing associations.	0.1	0
	Guarantees for comprehensive tenemental improvements, improvements for sale and shared ownership indemnities.	6.8	5.7
National Heritage Act 1980, Section 16	Indemnity cover given to owners of objects lent to the three National Institutions against damage or loss.	751.0	751.0
	Indemnity cover to local museums and galleries borrowing objects for exhibition.	40.0	70.0
National Heritage (Scotland) Act 1985, Section 19(2)	Indemnities to owners of historical documents lent to the National Archives of Scotland against loss or damage.	1.6	1.6
National Heritage Act 1980, Section 16, and Museums and Galleries Act 1992, Section 10	Indemnity cover to owners of material deposited on permanent or temporary loan in the National Monuments Record of Scotland.	1.6	1.7
Water Act 1989, Section 172	Indemnities to water authorities carrying out fluoridation schemes requested by Health Boards against legal challenge. The indemnity also covers liabilities incurred by water authorities in connection with the provision of fluoridated water except those attributable to criminal proceedings.	Unquantifiable	Unquantifiable
Transport (Scotland) Act 1989, Section 14(4)(b)	Indemnity to CIN Properties Ltd. in respect of any losses incurred in the event of a better title claim being made on the St. Andrews Square, Edinburgh, bus station site.	1.5	1.5
National Health Service (Scotland) Act 1978, Paragraph 2 of Schedule 7b	Overdraft guarantees for NHS Trusts.	6.0	4.8
Local Government Etc. (Scotland) Act 1994 (Section 85(1))	Bank overdraft guarantees.	25.0	25.0
Educational Development Research and Services (Scotland) Grant Regulations 1946	The Department authorised the Scottish Consultative Council on the Curriculum to redirect £200,000 allocated to the payment of local authority claims relating to work done for the Higher Still Development Programme in 1995/96 to the other needs within the Programme in 1996/97, in view of the absence of expected claims. An assurance was given that if any local authorities subsequently made any claims on this money, the Department would cover any resulting deficit.	0.2	0
Further and Higher Education (Scotland) Act 1992, Part 1, Section 4	Overdraft facility for Clydebank Further Education College.	0.2	0
<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>			
	Possible cost of injury claims arising from the clinical trials of certain products manufactured by the Scottish National Blood Transfusion Service.	Unquantifiable	Unquantifiable
	Liability to pay the legal or other costs of persons other than qualified medical practitioners distributing iodine prophylaxis to members of the general public in the event of a nuclear emergency should such distribution lead to adverse reactions.	Unquantifiable	Unquantifiable

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF TRADE AND INDUSTRY</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>			
British Aerospace Act 1980, Section 9	BAe: Liabilities immediately prior to Privatisation. The Government assumed ultimate responsibility for any outstanding liabilities of British Aerospace existing immediately prior to privatisation on 18 February 1981. The Government would only become responsible in the event of a formal winding up of BAe or an order to wind up the company by the court under the Companies Act.	Unquantifiable	Unquantifiable
Telecommunications Act 1984, Section 68(2)	The Government is liable for certain debts of the Corporation which were outstanding at the transfer date and which are now liabilities of BT plc. In the event of British Telecom plc being wound up, other than for the purpose of reconstruction or amalgamation, the Government would become liable to pay the company's debts to creditors in respect of obligations which were formerly those of British Telecommunications Corporation and were transferred to British Telecom plc.	Unquantifiable	Unquantifiable
Nuclear Installations Act 1965, Sections 16 to 18, as amended by the Energy Act 1983	Statutory liability for third party claims in excess of the operator's liability in the event of a nuclear accident in the UK.	up to 280.0 (approximately per incident)	up to 280.0 (approximately per incident)
Nuclear Installations Act 1965, Section 18 as amended by the Energy Act 1983	Contributions to an international pool of funds for third party claims following a Nuclear accident in another country party to the Brussels convention 1963 supplementary to the Paris Convention on third party liability in the fields of Nuclear Energy, 1960, where the aggregate claims exceed £165m (approx.) up to a limit of £280m (approx.).	up to 16.0 (approximately per incident)	up to 16.0 (approximately per incident)
Atomic Energy Act 1989, Section 5(1)	To provide assistance to another Member State under the IAEA convention on assistance in the case of a nuclear accident or radiological emergency.	Unquantifiable	Unquantifiable
Atomic Energy Authority Acts 1954 and 1971	Indemnities given to the UKAEA by the Secretary of State to cover certain indemnities given by UKAEA to carriers and British Nuclear Fuels against certain claims for damage caused by Nuclear matter in the course of carriage.	Unquantifiable	Unquantifiable
Nuclear Industry (Finance) Act 1977, Sections 1 and 2 as amended by Section 1 of the 1981 Act and by Section 1 of the Atomic Energy Act 1989	Guarantees by the Secretary of State to cover loans from the European Investment Bank to British Nuclear Fuels plc.	2.9	Nil
Coal Industry Acts	Assurance to British Coal Corporation that, subject to Parliament's approving any necessary provisions, adequate funds will continue to be made available to enable the Corporation to meet their financial obligations as they fall due during the current financial year.	5,500	5,500
Coal Industry Act 1994, Schedule 5, Paragraph 2(9)	Deeds of guarantee dated 31 October 1994 in respect of British Coal Corporation Pension Schemes (Mineworkers Pension Scheme and British Coal Staff Superannuation Scheme) in which the Secretary of State agrees to meet a deficiency in the Schemes ability to fund pension benefits laid down in the Schemes.	Up to 15,000	Up to 15,000
Industrial Development Act 1982, Section 8	A liability under the Department's Small Firms Loan Guarantee Scheme on outstanding guarantees for loans granted over, approximately, the past 7 years.	305.2	396.5

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF TRADE AND INDUSTRY—continued</b>			
<b>STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>			
Companies Act 1985, Section 256 (as amended by the Companies Act 1989)	A guarantee has been given to the Financial Reporting Council that if the amount held in the Legal costs fund falls below £1m in any year, an additional grant will be made to cover legal costs subsequently incurred that year.	Unquantifiable	Unquantifiable
Industry Act 1972, Section 10	Home Shipbuilding Credit Guarantee Scheme Guarantees to banks in respect of loans made to UK Shipowners for the construction, completion or alteration of ships and offshore installations.	389.0	270.0
<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>			
	International Natural Rubber Agreement 1995. The UK and other member countries may be called upon to contribute to the buffer stock account.	0.4	0.4
	BAe: Airbus Development Costs Guarantee in respect of BAe by HMG to other Airbus Governments that finance will be available for BAe's share of agreed development costs for the A330/A340 programme.	46.0	33.0
	BAe: Financial Obligations to Airbus. Under the terms of the Principles of Co-operation of 1978 with the French and German Governments (which do not have treaty status) the UK Government will stand behind the discharge by BAe of its financial obligations to Airbus Industrie.	Unquantifiable	Unquantifiable
	Treaty with the French Government relating to the Concorde programme. The Government stands behind those companies involved in the manufacture and supply of services and other support to the aircraft. To the extent of any successful claims in respect of the manufacturers product liability for losses involving British owned and operated aircraft, the Government would ensure payment of claims which exceeded insurance cover against liability.	Unquantifiable	Unquantifiable
	Assurance that, subject to Parliamentary approval of any expenditure entailed, the Government would meet any net liabilities of British Shipbuilders as recorded in their Accounts. Beyond this general commitment, and subject to the same caveats, more specific assurances have been given to meet contingent liabilities associated with certain of BS's financial guarantees.	13.0	13.0
	Costs of meeting waste management and decommissioning liabilities at UKAEA sites and certain similar liabilities of the UKAEA at BNFL sites.	7,100 (approximately)	7,100 (approximately)
	Letter of comfort to AEA Technology who, under the terms of a collaboration agreement on a European project for underground gasification of coal, accept joint and several liability.	Unquantifiable	Unquantifiable
	Financial undertaking from the Government to BNFL in connection with the transfer of the Government's shareholding in Magnox Electric Plc to BNFL on 30 January 1998.	3,700	3,948
	Deed of indemnity in respect of potential liabilities vested in the National Grid Company under a CEGB/EdF protocol which governs responsibilities in respect of the interconnector linking England and France.	Up to 200	Up to 200

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>DEPARTMENT OF TRADE AND INDUSTRY—continued</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES—continued</b>		
	Paid in capital subscription for the Common Fund for Commodities:		
	Government is committed to the payment of a subscription of £4.48 million to the First Account of the Fund, half of which is in the form of Promissory Notes callable following the coming into operation of the First Account.	2.24	2.24
	Callable capital subscription for the Common Fund for Commodities:		
	Government is committed to the payment of a subscription of £1.96 million to the First Account of the Fund, in the event that the Fund is unable to meet its liabilities in respect of First Account operations.	1.96	1.96
	European Patent Office:		
	The UK as one of the contracting states has a potential liability under Article 40 of the European Patent Convention of 1973.	Unquantifiable	Unquantifiable
	World Intellectual Property Organisation:		
	The UK as a contracting state to the Patent Cooperation Treaty of 1970, has a potential liability under Article 57 of the Treaty.	Unquantifiable	Unquantifiable
	Indemnity given to the Police. The Police Information Technology Organisation (Home Office) provides Legal Services Directorate D (DTI) with access to data from the Police National Computer (PNC). The DTI has indemnified the Police against any liabilities which they might incur as a result of providing that access.	Unquantifiable	Unquantifiable
	Office of Science and Technology liabilities:		
	"Back end" costs of decommissioning nuclear facilities for the Central Laboratory of the Research Councils and the Medical Research Council.	8.0	11.5
	The Biotechnology and Biological Sciences Research Council (BBSRC), formerly the Agricultural and Food Research Council (AFRC) has a contingent liability to meet the redundancy costs of BBSRC employees attached to Horticultural Research International who are made redundant.	18.0	18.0
	"Back end" costs of decommissioning international scientific facilities.	66.3	80.6
	of which: UK's share of debts of CERN liabilities.	26.0	37.0
	Indemnity given to BT indemnifying them against any legal claim or proceedings made or threatened against them because of DTI's use of their automated information service, or as a result of any third party's use of the service provided to DTI.	n/a	Nil
<b>HM TREASURY</b>			
	<b>STATUTORY LIABILITIES CHARGED DIRECTLY ON THE CONSOLIDATED FUND</b>		
Regulation 6427/88 deriving from the Treaty of Rome	Medium Term Financial Support.	1,562.0	1,623.0
Treaty on European Union	European Community Budget: Monetary Reserve. (Agriculture) and Emergency Aid Reserve.	50.8 (at 31.12.97)	54.2 (at 31.12.98)
Treaty on European Union	European Community Budget: Guarantees on borrowing and lending operations.	1,200.0 (at 31.12.97)	1,300.0 (at 31.12.98)

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>HM TREASURY—continued</b>			
	<b>STATUTORY LIABILITIES CHARGED DIRECTLY ON THE CONSOLIDATED FUND— continued</b>		
International Monetary Arrangements Act.	Indemnity to the Bank of England in relation to the Bank's participation in the substitution arrangement with the BIS pertaining to the Credit facility of the Banco Central de Brazil.	Nil	247.6
The European Investment Bank Statute, deriving from the Treaty of Rome	Callable capital subscription to European Investment Bank.	6,815.6 (at 31.12.97)	11,170.1 (at 31.12.98)
Government Trading Funds Act 1973, Section 5	Value of UK coins in circulation.	2,461.4	2,631.2
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Reinsurance (Acts of Terrorism) Act 1993	From 31 December 1992 (25 December in respect of the Corporation of the City of London) the Government made arrangements to provide reinsurance facilities for terrorist attacks against industrial and commercial property in mainland Great Britain where under the arrangements insurers had exhausted their funds for meeting the cost of any claims.	Unquantifiable	Unquantifiable
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Guarantee on privatisation of Paymaster against liabilities incurred by the purchaser in connection with the ownership or operation of the business before its transfer.	5.0	4.9
	Guarantee issued to the Securities and Investments Board (now known as the Financial Services Authority-FSA) to ensure they are able to raise a commercial loan, in order to finance work on preparation for assuming additional regulatory responsibilities after Royal assent of the Financial Services and Markets Bill.	Unquantifiable	Unquantifiable
	From 24 October 1995 the Government issued a Crown indemnity to the Members and Alternates duly appointed to the Policyholders Protection Board so that if claims are made against them arising from their positions on the Board they will be indemnified for any damages or costs awarded against them, any amounts payable in settlement of claims or any legal or other expenses reasonably incurred in connection with claims or any resulting proceedings.	Unquantifiable	Unquantifiable
	<b>NON-STATUTORY LIABILITIES CHARGED DIRECTLY ON THE CONSOLIDATED FUND</b>		
	Redemption of currency issued by the Palestinian Currency Fund before 27/10/86.	0.3	0.3
	Redemption of British Military Authority notes issued to British Servicemen towards the end of, and just after, World War II..	0.5	0.5
<b>WALES</b>			
	<b>STATUTORY LIABILITIES CHARGED TO VOTES</b>		
Water Act 1991, Section 90	A statutory indemnity exists for water authorities and companies which fluoridate their water supplies at the request of health authorities.	Unquantifiable	Unquantifiable
Development of Rural Wales Act 1976, Section 10	Overdraft guarantee—Development Board for Rural Wales.	0.4	Nil*
National Heritage Act 1980, Section 16	Indemnity given to owners of objects lent to the National Museum and Library, the Arts Council of Wales, and other museums and galleries.	86.5	95.1
	Indemnities to owners of historic objects lent to Cadw (Welsh Historic Monuments) against loss or damage.	0.5	0.5

**B15: STATEMENT OF CONTINGENT OR NOMINAL LIABILITIES—continued****Contingent Liabilities**

DEPARTMENT/STATUTE	NATURE OF LIABILITY	AMOUNT OUTSTANDING AT 31.3.98	AMOUNT OUTSTANDING AT 31.3.99
		£m	£m
<b>WALES—continued</b>			
	<b>NON-STATUTORY LIABILITIES CHARGED TO VOTES</b>		
	Contingent liabilities to meet the cost of any health compensation payments:		
	(1) Arising from the immunisation of voluntary donors with hepatitis B vaccine. (2) Arising from immunisation of voluntary donors with specialised immunoglobulins subsequently harvested and used in the treatment of new born babies. (3) Arising from the trial of a new whooping cough vaccine.	Unquantifiable	Unquantifiable
	Non-statutory indemnity exists for Dwr Cymru Cyf in respect of the supply of water that has been fluoridated by other water undertakers at the request of health authorities. (This indemnity is in addition to the statutory indemnity given under the Water Act 1991, Section 90).	Unquantifiable	Unquantifiable
	Indemnity to those other than qualified medical personnel on the issue of iodine tablets to the general public in the event a nuclear emergency arises.	Unquantifiable	Unquantifiable
	Indemnity in respect of 8 Welsh Health Common Services (WHCSA) employees against all claims for redundancy payments up to and including December 1998.	0.4	0.4
	Limited redundancy indemnity resulting from the integration of colleges of Health with Higher Education Colleges.	4.4	4.4
	Indemnity for the members of the North Wales Child Abuse Inquiry against any claim arising out of statement made or opinion expressed by them in the course of that inquiry.	Unquantifiable	Unquantifiable

\* DBRW ended 1 October 1998.

**B16: STATEMENT OF CERTAIN LOANS GUARANTEED BY THE BRITISH GOVERNMENT, OUTSTANDING ON  
31 MARCH 1999**

	Amount of loan	Rate of interest	Purpose	Primary security	Extent of guarantee	When redeemable	Amount paid off by sinking fund or cancelled	Amount outstanding on 31 March 1999 <sup>(1)</sup>	Nominal net liability <sup>(1)</sup>
IRISH FREE STATE GUARANTEED 4½% LAND BONDS	£ 25,297,463	% 4½	Purchase of land in Ireland (15 Geo. 5 c. 3)	Land Bond Fund and Revenues of the Republic of Ireland	Principal and interest	1989	£ 25,271	£ 26,404	£ 26,404

<sup>(1)</sup> Represents unclaimed redemption monies.

**B17: STATEMENT OF BORROWING BY THE NATIONALISED INDUSTRIES AND OTHER PUBLIC CORPORATIONS, GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE TREASURY, OUTSTANDING AT 31 MARCH 1999**

	Temporary borrowing		Other borrowing	
	Maximum	Outstanding at 31 March 1999	In sterling	Sterling equivalent of foreign borrowing <sup>(1)</sup>
			Outstanding at 31 March 1999	
	£	£	£	£
Audit Commission .. .. .	3,500,000	—	—	—
British Coal .. .. .	500,000	—	—	—
British Waterways Board .. .. .	3,000,000	—	—	—
Civil Aviation Authority .. .. .	13,000,000	—	265,712,552	—
Commission for New Towns .. .. .	—	—	—	—
Commonwealth Development Corporation .. .. .	—	—	—	—
Housing Corporation .. .. .	4,000,000	4,000,000	—	—
London Regional Transport .. .. .	10,000,000	6,582,066	—	—
Welsh Development Agency <sup>(1)</sup> .. .. .	—	—	150,000	285,943
<b>TOTAL .. .. .</b>		<b>10,582,066</b>	<b>265,862,552</b>	<b>285,943</b>

(1) See below for details of currencies borrowed.

**B18: STATEMENT OF BORROWING BY THE NATIONALISED INDUSTRIES AND OTHER PUBLIC CORPORATIONS, GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE TREASURY, OUTSTANDING AT 31 MARCH 1999**

FOREIGN CURRENCIES (MILLION)

	Outstanding at 31 March 1999				
	ECU	US\$	DM	Yen	SF
Welsh Development Agency .. .. .	—	—	0.8	—	—



**SECTION FOUR**  
**B19: NATIONAL LOANS FUND ASSETS AND LIABILITIES**

	Assets at 31 March 1998	Assets at 31 March 1999	Assets at 31 March 1998	Assets at 31 March 1999	Liabilities at 31 March 1998	Liabilities at 31 March 1999
Advances outstanding <sup>(1)</sup> .. .. .	£ 46,742,600,522	£ 48,513,575,522	£ 418,444,684,188	£ 421,635,708,199		
Subscriptions to International Monetary Fund .. .. .	5,895,570,808	9,048,151,484 <sup>(2)</sup>				
Gift-edged Official Operations Account						
—advances outstanding .. .. .	2,500,000,000	2,500,000,000				
—surplus not paid to the National Loans Fund .. .. .	141,566,957	190,845,814				
Borrowings included in the National Debt but not brought to account and cash retained by NS <sup>(4)</sup> .. .. .	568,567,629	317,864,976				
Balance, being the liability of the Consolidated Fund under section 19(1) of the National Loans Act 1968	55,848,305,916	60,570,437,796				
	362,596,378,272	361,065,270,403				
<b>TOTAL ASSETS</b>	<b>418,444,684,188</b>	<b>421,635,708,199</b>	<b>418,444,684,188</b>	<b>421,635,708,199</b>		
			<b>TOTAL LIABILITIES</b>			

<sup>(1)</sup> See Table B20 for details.

<sup>(2)</sup> See Table B21 for details.

<sup>(3)</sup> 10,738.5 million Special Drawing Rights valued at 1.186817 SDR = £1, the closing middle market rate on 31 March 1999.

<sup>(4)</sup> See Columns 4 and 10 of Table B21 for details.

**NATIONAL LOANS FUND TRANSACTIONS AND ASSETS & LIABILITIES**  
**B20: LOANS FROM NATIONAL LOANS FUND: TRANSACTIONS IN 1998-99 AND ADVANCES OUTSTANDING**

	Advances outstanding at 31 March 1998	Issues made from NLF in 1998-99	Exchange rate variations	Repayments made to NLF in 1998-99	Advances outstanding at 31 March 1999	Interest received by NLF in 1998-99
	£	£	£	£	£	£
<i>Loans to Nationalised Industries</i>						
British Rail .. .. .	573,750,000	0	0	27,500,000	546,250,000	58,017,448
British Waterways Board .. .. .	18,186,000	650,000	0	650,000	18,186,000	2,190,249
Civil Aviation Authority .. .. .	420,919,120	12,000,000	0	67,206,569	365,712,551	39,275,508
<i>Total loans to Nationalised Industries</i> .. .. .	1,012,855,120	12,650,000	0	93,356,569	930,148,551	99,483,205
<i>Loans to other Public Corporations</i>						
Commonwealth Development Corporation .. .. .	0	51,000,000	0	51,000,000	0	77,356
Development Board for Rural Wales .. .. .	3,970,805	0	0	730	3,970,075	286,070
East of Scotland Water Authority .. .. .	229,000,000	110,000,000	0	51,000,000	288,000,000	16,723,812
Land Authority for Wales .. .. .	1,275,000	0	0	1,275,000	0	590,410
New Towns Development Corporations and Commission .. .. .	36,204,804	0	0	28,217,890	7,986,914	56,486,528
North of Scotland Water Authority .. .. .	189,165,000	89,866,000	0	37,000,000	242,031,000	14,844,412
Registers of Scotland .. .. .	5,619,547	0	0	543,085	5,076,462	441,570
Royal Mint .. .. .	0	5,000,000	0	5,000,000	0	22,163
Scottish Enterprise .. .. .	121,813	0	0	95,911	25,902	9,743
Scottish Homes .. .. .	259,825,498	0	0	68,965,533	190,859,965	87,550,672
Welsh Development Agency .. .. .	1,167,268	58,000	0	317,879	907,389	98,462
West of Scotland Water Authority .. .. .	304,867,000	163,209,000	0	42,477,000	425,599,000	23,837,558
<i>Total loans to other Public Corporations</i> .. .. .	1,031,216,735	419,133,000	0	285,893,028	1,164,456,707	200,968,706
<i>Advances to Public Works Loan Commissioners for Loans to Local Authorities</i>						
	42,951,106,523	6,144,145,180	0	4,352,535,449	44,472,716,254 <sup>(1)</sup>	3,938,704,790
<i>Loans to the Private Sector</i>						
Harbour Authorities .. .. .	503,228	0	0	134,557	368,671	57,030
Housing Associations .. .. .	495,004	0	0	8,031	486,973	29,951
<i>Total loans to the Private Sector</i> .. .. .	998,232	0	0	142,588	855,644	86,981
<i>Loans within Central Government</i>						
Central Office of Information .. .. .	0	10,000,000	0	10,000,000	0	376,986
Housing Corporation (England) .. .. .	4,000,000	16,000,000	0	16,000,000	4,000,000	284,219
Married quarters for Armed Forces .. .. .	61,297,049	0	0	1,129,991	60,167,058	3,915,196
Northern Ireland .. .. .	1,681,126,863	0	0	69,895,555	1,611,231,308	162,442,691
<i>Total loans within Central Government</i> .. .. .	1,746,423,912	26,000,000	0	97,025,546	1,675,398,366	167,019,092
<i>Loans to the International Monetary Fund<sup>(2)</sup></i>						
General Arrangements to Borrow (GAB)	0	117,248,802	4,604,513	121,853,315	0	2,348,550
New Arrangements to Borrow (NAB)	0	200,465,904	88,000	200,553,904	0	1,133,182
<i>Total loans to the International Monetary Fund</i>	0	317,714,706	4,692,513	322,407,219	0	3,481,732
<b>TOTAL</b> .. .. .	<b>46,742,600,522</b>	<b>6,919,642,886</b>	<b>4,692,513</b>	<b>5,153,360,399</b>	<b>48,513,575,522</b>	<b>4,409,744,506</b>

<sup>(1)</sup> Excluding capitalised interest of £15,511 at 31 March 1999.

<sup>(2)</sup> The loans to the IMF were denominated in Special Drawing Rights and amounted to SDR 144,345,000 (GAB) and SDR 237,572,143 (NAB).

**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99**

Security	Principal outstanding 31 March 1998			Borrowing in 1998-99						Repayments in 1998-99					Principal outstanding 31 March 1999	Interest paid in 1998-99	
	£	£	£	Received in cash	Discount (+) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc. (1)	Paid in cash	Cash donations and bequests	Discount (+) on stock bought for cancellation	Cash retained for repayment	Debt redeemed from prior year cash payments	By conversion etc.			£
<b>Marketable securities:</b>																	
Up to 5 years																	
7.25% Treasury Stock 1998	109,899,542																15,533,039
4.625% Index-Linked Treasury Stock 1998	929,203,200																21,624,000
15.5% Treasury Loan 1998	935,000,000																72,462,500
12% Exchequer Stock 1998	3,908,723,471																469,046,817
9.5% Treasury Loan 1999	1,899,995,000																180,499,525
Flating Rate Treasury Stock 1999	5,700,000,000																400,179,900
12.25% Exchequer Stock 1999	3,050,000,000																373,625,000
10.5% Treasury Stock 1999	1,251,626,757																131,420,810
6% Treasury Stock 1999	6,950,000,000																417,000,000
2.5% Index-Linked Treasury Stock 1999	3,195,089																81,167
10.25% Conversion Stock 1999	1,798,339,559																184,329,805
8.5% Treasury Loan 2000	109,490,372																9,306,682
9% Conversion Stock 2000	5,358,439,845																482,259,586
13% Treasury Stock 2000	3,170,790,284																412,002,737
8% Treasury Stock 2000	9,799,997,301																783,999,784
10% Treasury Stock 2001	4,405,954,435																440,595,444
14% Treasury Stock 1998-2001	969,999,999																67,900,000
Floating Rate Treasury Stock 2001	3,000,000,000																219,846,000
9.5% Conversion Stock 2001	3,483,930																330,973
9.75% Conversion Stock 2001	34,847,487																3,397,630
2.5% Index-Linked Treasury Stock 2001	4,326,021,450																110,722,850
7% Treasury Stock 2001	12,750,000,000																892,500,000
12% Exchequer Stock 1999-2002	105,116,645																12,613,997
7% Treasury Stock 2002	9,000,000,000																630,000,000
10% Conversion Stock 2002	20,859,229																2,085,923
9.5% Conversion Stock 2002	2,438,300																231,639
9.75% Treasury Stock 2002	6,527,197,656																636,401,771
9% Treasury Stock 2002	82,782,596																7,450,434
9.75% Conversion Loan Stock 2003(1)	11,568,806																1,108,459
2.5% Index-Linked Treasury Stock 2003(1)	5,399,454,600																137,170,800
8% Treasury Stock 2003(1)	8,600,000,000																688,000,000
13.75% Treasury Stock 2000-2003(1)	52,743,066																7,252,172
10% Treasury Stock 2003(1)	2,505,712,263																250,571,226
6.5% Treasury Stock 2003(1)	2,000,000,000																240,387,780
11.5% Treasury Stock 2001-2004(1)	1,620,000,000																186,300,000
<b>Total: Up to 5 years</b>	106,392,680,882																8,488,438,450
<b>Carried forward</b>	106,392,680,882																8,488,438,450

(1) Net of accrued capital uplift on new issues of index-linked gilt stocks (Discount/Premium is now determined in relation to the uplifted value of such issues).

(2) Change in maturity group.

**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99—continued**

Security	Borrowing in 1998-99				Repayments in 1998-99				Principal outstanding 31 March 1999	Interest paid in 1998-99			
	Received in cash	Discount (+)/ premium (-) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc.( <sup>1</sup> )	Paid in cash	Cash donations and bequests	Discount (+)/ premium (-) on stock bought for cancellation			Cash retained for repayment	Debt redeemed from prior year cash payments	By conversion etc.
	£	£	£	£	£	£	£	£	£	£	£	£	
<b>Brought forward</b>	106,392,680,882	—	—	—	6,332,801,920	17,575,503,886	2	—	—	—	—	95,149,978,914	8,488,438,450
<b>Marketable securities:</b>													
5 to 15 years													
10% Treasury Stock 2004	19,640,413	—	—	—	—	—	—	—	—	—	—	19,640,413	1,964,041
3.5% Funding Stock 1999-2004	543,269,992	—	—	—	—	—	—	—	—	—	—	543,269,992	19,014,450
4.375% Index-Linked Treasury Stock 2004	1,335,729,600	192,468,750	—	—	49,962,450	—	—	—	—	—	—	1,562,683,200	60,725,621
9.5% Conversion Stock 2004	3,412,180,111	—	—	—	—	—	—	—	—	—	—	3,412,180,111	324,157,111
6.75% Treasury Stock 2004	6,500,000,000	—	—	—	—	—	104	—	—	—	—	6,499,999,903	438,749,997
9.5% Conversion Stock 2005	4,841,994,665	—	—	—	—	—	—	—	—	—	—	4,841,994,665	459,989,493
10.5% Exchequer Stock 2005	23,337,699	—	—	—	—	—	—	—	—	—	—	23,337,699	2,450,458
12.5% Treasury Stock 2005-2005	2,199,943,299	—	—	—	—	—	—	—	—	—	—	152,135,990	274,992,912
8.5% Treasury Stock 2005	10,373,178,413	—	—	—	—	—	—	—	—	—	—	10,373,178,413	881,720,165
2% Index-Linked Treasury Stock 2006	5,666,999,997	—	—	—	197,750,001	—	—	—	—	—	—	5,864,749,998	116,000,000
7.75% Treasury Stock 2006	4,000,000,000	—	—	—	—	—	—	—	—	—	—	4,000,000,000	310,000,000
8% Treasury Loan 2002-2006	2,050,000,000	—	—	—	—	—	—	—	—	—	—	2,050,000,000	164,000,000
9.75% Conversion Stock 2006	5,656,152	—	—	—	—	—	—	—	—	—	—	5,656,152	551,475
7.5% Treasury Stock 2006	11,699,994,283	—	—	—	—	—	—	—	—	—	—	11,699,994,283	877,499,571
11.75% Treasury Stock 2003-2007	3,150,000,000	—	—	—	—	—	—	—	—	—	—	3,150,000,000	198,780,892
7.25% Treasury Stock 2007	10,999,999,999	—	—	—	—	—	—	—	—	—	—	10,999,999,999	797,500,000
8.5% Treasury Loan 2007	7,396,620,057	—	—	—	—	—	—	—	—	—	—	7,396,620,057	628,712,705
13.5% Treasury Stock 2004-2008	95,471,463	—	—	—	—	—	—	—	—	—	—	95,471,463	12,888,648
9% Treasury Loan 2008	5,621,028,964	—	—	—	—	—	—	—	—	—	—	5,621,028,964	505,892,607
2.5% Index-Linked Treasury Stock 2009	5,249,469,750	—	—	—	183,316,875	—	—	—	—	—	—	5,432,786,625	133,360,500
8% Treasury Stock 2009	3,450,000,000	—	—	—	—	—	—	—	—	—	—	3,450,000,000	160,387,010
5.75% Treasury Stock 2009	—	—	—	—	—	—	—	—	—	—	—	—	—
6.25% Treasury Stock 2010	4,750,000,000	—	—	—	—	—	—	—	—	—	—	4,750,000,000	296,875,000
9% Conversion Stock 2011	5,273,324,082	—	—	—	—	—	—	—	—	—	—	5,273,324,082	474,599,167
2.5% Index-Linked Treasury Stock 2011	6,549,059,996	—	—	—	—	—	—	—	—	—	—	6,777,839,996	167,710,000
9% Treasury Stock 2012	5,361,276,331	—	—	—	—	—	—	—	—	—	—	5,361,276,331	482,514,870
5.5% Treasury Stock 2008-2012	999,991,042	—	—	—	—	—	—	—	—	—	—	999,991,042	54,999,507
2.5% Index-Linked Treasury Stock 2013( <sup>1</sup> )	6,621,240,000	830,250,000	—	—	242,320,050	—	—	—	—	—	—	7,674,756,600	174,534,345
8% Treasury Stock 2013( <sup>2</sup> )	6,100,000,000	—	—	—	—	—	—	—	—	—	—	6,100,000,000	476,489,366
<b>Totals 5 to 15 years</b>	124,289,406,308	3,970,506,250	—	—	4,279,473,837	—	105	—	—	—	—	124,602,440,229	8,614,884,317
<b>Carried forward</b>	230,682,087,190	3,970,506,250	—	—	10,612,275,757	17,575,503,886	107	—	—	—	—	219,752,419,143	17,103,322,767

(<sup>1</sup>) Net of accrued capital uplift on new issues of index-linked gilt stocks (Discount/Premium is now determined in relation to the uplifted value of such issues).

(<sup>2</sup>) Change in maturity group.

**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99—continued**

Security	Principal outstanding 31 March 1998	Borrowing in 1998-99					Repayments in 1998-99					Debt redeemed from prior year cash payments	Principal outstanding 31 March 1999	Interest paid in 1998-99	
		Received in cash	Discount (+)/ premium (-) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc.(1)	Paid in cash	Cash donations and bequests	Discount (+)/ premium (-) on stock bought for cancellation	Cash retained for repayment	By conversion etc.				
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Brought forward</b>	230,682,087,190	3,970,306,250	-82,318,550	-	-	10,612,275,757	17,575,503,886	107	-8	-	7,854,627,519	219,752,419,143	17,103,322,767		
<b>Marketable securities: over 15 years</b>															
7.75% Treasury Loan 2012-2015	799,999,999	-	-	-	-	-	-	-	-	-	-	799,999,999	62,000,000		
8% Treasury Stock 2015	13,787,097,243	-	-	-	-	-	-	-	-	-	-	13,787,097,243	1,102,967,779		
2.5% Treasury Stock 1986-2016	78,457,089	-	-	-	-	-	-	-	-	-	-	78,457,089	1,961,427		
2.5% Index-Linked Treasury Stock 2016	7,670,235,525	277,218,750	15,537,050	-	-	274,651,050	-	-	-	-	-	8,237,637,575	201,794,823		
8.75% Treasury Stock 2017	7,550,000,000	-	-	-	-	-	-	-	-	-	-	7,550,000,000	660,625,000		
12% Exchange Stock 2013-2017(2)	57,416,884	-	-	-	-	-	-	-	-	-	-	57,416,884	6,890,026		
2.5% Index-Linked Treasury Stock 2020	7,213,817,400	-	-	-	-	-	-	-	-	-	-	7,465,727,000	182,517,800		
8% Treasury Stock 2021	16,500,000,000	-	-	-	-	-	-	-	-	-	-	16,500,000,000	1,320,000,000		
2.5% Index-Linked Treasury Stock 2024	6,208,536,950	1,041,543,750	-44,799,450	-	-	221,412,750	-	-	-	-	-	7,426,694,000	163,552,673		
6% Treasury Stock 2028	2,000,000,000	3,114,375,000	-114,375,000	-	-	-	-	-	-	-	-	5,000,000,000	200,792,000		
4.125% Index-Linked Treasury Stock 2030	1,748,704,500	239,812,500	-62,721,600	-	-	64,951,050	-	-	-	-	-	1,990,746,450	78,562,580		
<b>Total: Over 15 years</b>	63,614,265,590	4,672,950,000	-206,364,000	-	-	812,924,450	-	-	-	-	-	68,893,776,040	3,981,664,108		
<b>Undated</b>															
4% Consolidated Loan 1953 or after	357,570,359	-	-	-	-	-	-	9	3	-	-	357,570,347	14,302,814		
3.5% War Loan 1952 or after	1,908,796,342	-	-	-	-	-	-	7	5	-	-	1,908,796,330	66,807,872		
3.5% Conversion Loan 1961 or after(3)	103,621,561	-	-	-	-	-	-	15	481,032	2,741,188	-	100,399,326	3,603,303		
2.75% Annuities	834,194	-	-	-	-	-	-	-	-	-	-	834,194	22,940		
2.5% Annuities	3,058,014	-	-	-	-	-	-	-	-	-	-	3,058,014	76,450		
2.5% Consolidated Stock	275,456,388	-	-	-	-	-	-	83	84	-	-	275,456,221	6,886,408		
3% Treasury Stock 1966 or after	55,375,105	-	-	-	-	-	-	15,060	12,146	-	-	55,347,889	1,660,845		
2.5% Treasury Stock 1975 or after	473,537,796	-	-	-	-	-	-	-	-	-	-	473,537,796	11,838,445		
<b>Total: Undated</b>	3,178,249,759	-	-	-	-	-	-	15,174	493,270	2,741,188	-	3,175,000,127	105,199,077		
<b>Total Marketable Securities</b>	297,474,602,539	8,643,456,250	-288,682,550	-	-	11,425,200,207	17,575,503,886	15,281	493,262	7,857,368,707	-	291,821,195,310	21,190,185,952		

(1) Net of accrued capital uplift on new issues of index-linked gilt stocks (Discount/Premium is now determined in relation to the uplifted value of such issues).

(2) The Principal Outstanding as at 31 March 1998 has been restated.

(3) See 3½% Conversion Loan Sinking Fund (page 62).

**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99—continued**

Security	Principal outstanding 31 March 1998	Borrowing in 1998-99					Repayments in 1998-99					Principal outstanding 31 March 1999	Interest paid in 1998-99	
		Received in cash	Discount (+) premium (-) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc. <sup>(1)</sup>	Paid in cash	Cash donations and bequests	Discount (+) premium (-) on stock bought for cancellation	Cash retained for repayment	Debt redeemed from prior year cash payments			By conversion etc.
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Brought forward	297,474,602,539	8,643,456,250	-288,662,550	—	—	11,425,200,207	17,575,503,886	15,281	493,262	—	7,857,368,707	291,821,195,310	21,190,185,952	
<b>Non-marketable securities:</b>														
12% Exchequer (NULO) Stock 1998	25,000,000	—	—	—	—	—	25,000,000	—	—	—	—	—	3,000,000	
12.25% Exchequer (NULO) Stock 1999	25,000,000	—	—	—	—	—	25,000,000	—	—	—	—	—	3,062,500	
Floating Rate Treasury (NULO) Stock 1999	950,000,000	—	—	—	—	—	950,000,000	—	—	—	—	—	66,696,650	
10.5% Treasury (NULO) Stock 1999	100,000,000	—	—	—	—	—	—	—	—	—	—	100,000,000	10,500,000	
10.25% Conversion (NULO) Stock 1999	25,000,000	—	—	—	—	—	—	—	—	—	—	25,000,000	2,562,500	
6% Treasury (NULO) Stock 1999	650,000,000	248,359,375	1,640,625	—	—	—	—	—	—	—	—	900,000,000	50,547,945	
8% Treasury (NULO) Stock 2000	150,000,000	—	—	—	—	—	—	—	—	—	—	150,000,000	12,000,000	
9% Conversion (NULO) Stock 2000	50,000,000	—	—	—	—	—	—	—	—	—	—	50,000,000	4,500,000	
10% Treasury (NULO) Stock 2001	150,000,000	—	—	—	—	—	—	—	—	—	—	150,000,000	15,000,000	
Floating Rate Treasury (NULO) 2001	1,750,000,000	1,106,410,000	-6,410,000	—	—	—	—	—	—	—	—	2,850,000,000	161,427,608	
7% Treasury (NULO) Stock 2001	150,000,000	105,600,000	-5,600,000	—	—	—	—	—	—	—	—	250,000,000	8,469,613	
2.5% Index-Linked Treasury (NULO) Stock 2001	50,302,575	304,500,000	8,621,550	—	990,100	—	—	—	—	—	—	364,414,225	1,999,318	
7% Treasury (NULO) Stock 2002	550,000,000	—	—	—	—	—	—	—	—	—	—	550,000,000	38,500,000	
2.5% Index-Linked Treasury (NULO) Stock 2003	49,994,950	—	—	—	—	1,745,875	—	—	—	—	—	51,740,825	1,270,100	
6.5% Treasury (NULO) Stock 2003	200,000,000	—	—	—	—	—	—	—	—	—	—	200,000,000	12,839,800	
10% Treasury (NULO) Stock 2003	25,000,000	—	—	—	—	—	—	—	—	—	—	25,000,000	2,500,000	
8% Treasury (NULO) Stock 2003	100,000,000	—	—	—	—	—	—	—	—	—	—	100,000,000	8,000,000	
9.5% Conversion (NULO) Stock 2004	25,000,000	—	—	—	—	—	—	—	—	—	—	25,000,000	2,375,000	
6.75% Treasury (NULO) Stock 2004	450,000,000	111,200,000	-11,200,000	—	—	—	—	—	—	—	—	550,000,000	28,790,055	
2.5% Index-Linked Treasury (NULO) Stock 2006	56,670,000	108,125,000	6,655,000	—	4,492,500	—	—	—	—	—	—	175,942,500	2,557,726	
7.5% Treasury (NULO) Stock 2006	250,000,000	—	—	—	—	—	—	—	—	—	—	250,000,000	18,750,000	
7.25% Treasury (NULO) Stock 2006	200,000,000	—	—	—	—	—	—	—	—	—	—	200,000,000	15,500,000	
7.25% Treasury (NULO) Stock 2007	250,000,000	—	—	—	—	—	—	—	—	—	—	250,000,000	18,125,000	
8.5% Treasury (NULO) Stock 2007	100,000,000	—	—	—	—	—	—	—	—	—	—	100,000,000	8,500,000	
9% Treasury (NULO) Stock 2008	100,000,000	—	—	—	—	—	—	—	—	—	—	100,000,000	9,000,000	
2.5% Index-Linked Treasury (NULO) Stock 2009	49,994,950	198,562,500	3,956,800	—	6,189,875	—	—	—	—	—	200,000,000	3,438,613		
8% Treasury (NULO) Stock 2009	200,000,000	—	—	—	—	—	—	—	—	—	—	200,000,000	8,000,000	
5.75% Treasury (NULO) Stock 2009	—	223,220,000	-23,220,000	—	233,700,000	—	—	—	—	—	—	433,700,000	2,435,060	
6.25% Treasury (NULO) Stock 2010	650,000,000	536,484,375	-36,484,375	—	—	—	—	—	—	—	—	1,150,000,000	50,406,678	
9% Treasury (NULO) Stock 2010	52,815,000	104,968,750	2,006,250	—	4,190,000	—	—	—	—	—	—	163,980,000	3,235,144	
2.5% Index-Linked Treasury (NULO) Stock 2011	—	262,187,500	-12,187,500	—	1,541,475	—	—	—	—	—	—	250,000,000	4,991,438	
5.5% Treasury (NULO) Stock 2008-2012	—	—	—	—	—	—	—	—	—	—	—	45,683,075	1,132,950	
2.5% Index-Linked Treasury (NULO) Stock 2013	—	—	—	—	—	—	—	—	—	—	—	200,000,000	16,000,000	
8% Treasury (NULO) Stock 2013	44,141,600	—	—	—	—	—	—	—	—	—	—	200,000,000	15,500,000	
7.75% Treasury (NULO) Stock 2012-2015	200,000,000	—	—	—	—	—	—	—	—	—	—	100,000,000	8,000,000	
8% Treasury (NULO) Stock 2015	100,000,000	—	—	—	—	—	—	—	—	—	—	100,000,000	8,000,000	
2.5% Index-Linked Treasury (NULO) Stock 2016	48,240,475	94,968,750	1,155,200	—	1,684,600	—	—	—	—	—	—	49,925,075	1,237,000	
2.5% Index-Linked Treasury (NULO) Stock 2020	47,459,325	—	—	—	3,766,600	—	—	—	—	—	—	147,349,975	2,011,322	
<b>Total Non-Marketable Securities</b>	8,024,618,875	3,404,586,250	-71,066,450	—	258,301,025	1,000,000,000	—	—	—	—	200,000,000	10,416,439,700	622,882,020	
<b>Carried forward</b>	305,499,221,414	12,048,042,500	-359,749,000	—	11,683,301,232	18,575,503,886	15,281	493,262	—	—	8,057,368,707	302,237,635,010	21,813,067,972	

<sup>(1)</sup> Net of accrued capital uplift on new issues of index-linked gilt stocks (Discount/Premium is now determined in relation to the uplifted values of such issues).

**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99** — continued

	Principal outstanding 31 March 1998	Borrowing in 1998-99						Repayments in 1998-99						Principal outstanding 31 March 1999	Interest paid in 1998-99
		Received in cash	Discount (+)/ premium (-) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc.	Paid in cash	Cash donations and bequests	Discount (+)/ premium (-) on stock bought for cancellation	Cash retained for repayment	Debt redeemed from prior year cash payments	By conversion etc.			
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Security</b>															
Brought forward	305,499,221,414	12,048,042,500	-359,749,000	—	—	11,683,501,232	18,575,503,886	15,281	493,262	—	8,057,368,707	302,237,635,010	21,813,067,972		
<b>National Savings securities*</b>															
Children's Bonus Bonds	959,916,855	205,032,666	—	3,447,931	-4,107,799	63,722,413	183,233,294	—	—	—	—	1,044,778,772	—		
Deposit Bonds <sup>(1)</sup>	537,821,209	—	—	—	—	34,416,205	84,209,632	—	—	—	—	491,105,460	—		
FIRST Option Bonds	937,654,720	1,001,814,745	—	31,966,892	-30,211,134	—	1,055,451,342	—	—	-3,914,242	—	885,773,881	60,471,544		
Gift Tokens	1,607,728	—	—	—	—	—	1,438	—	—	-358,154	—	1,593,416	—		
Income Bonds	10,204,799,242	1,371,717,579	—	16,905,214	-23,184,311	—	880,803,312	—	—	-86,500	—	10,689,520,912	734,849,532		
Investment Deposit	9,012,775,047	1,085,017,358	—	68,175,188	-107,822,198	—	2,026,975,848	—	—	-25,962,592	—	8,537,844,022	—		
Capital Bonds	1,982,271,349	469,547,945	—	—	—	506,674,475	888,264,467	—	—	—	—	1,689,742,089	—		
Pensioners Guaranteed Income Bonds	7,409,797,517	201,023,019	—	1,832,173	-3,766,537	151,872,416	897,842,300	—	—	—	—	6,711,014,872	515,869,593		
Premium Bonds	10,162,463,021	3,652,744,820	—	149,826,262	-179,650,367	—	1,598,401,526	—	—	—	—	12,386,982,410	—		
Save as You Earn	96,336,762	11,347,154	—	84,974	—	3,582,897	37,104,719	—	—	—	—	62,352,762	10,335,037		
Savings Certificates	17,211,134,592	3,028,697,206	—	5,830,020	-136,685,795	2,430,994,917	3,449,018,153	—	—	-867,580	—	19,085,535,318	1,213,056,088		
Treasurers Account	50,234,429	17,077,085	—	89,342	-2,003,093	5,245,420	15,673,432	—	—	-149,470	—	56,939,618	—		
Yearly Plan	293,700,045	5,240,653	—	1	-5,240,653	35,002,994	119,980,045	—	—	-4,860,056	—	213,583,051	32,611,761		
<b>Total National Savings securities</b>	58,860,512,516	11,049,260,230	—	278,157,997	-492,671,887	3,231,511,737	11,034,959,308	—	—	-36,198,594	—	61,846,766,583	2,565,193,555		
<b>Carried forward</b>	364,359,733,930	23,097,302,730	-359,749,000	278,157,997	-492,671,887	14,915,012,969	29,610,463,194	15,281	493,262	-36,198,594	8,057,368,707	364,094,401,593	24,378,261,527		

\* The figures on this page, except for those relating to NLF cash flows, have been supplied by National Savings and are subject to revision. National Savings figures exclude interest, bonuses, etc. accrued but not capitalised at the end of the accounting period (see Table B22 for details).  
(1) The previous year's outturn for Deposit Bonds has been re-stated.

**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99** — continued

	Principal outstanding 31 March 1998	Borrowing in 1998-99						Repayments in 1998-99					Principal outstanding 31 March 1999	Interest paid in 1998-99	
		Received in cash	Discount (+) premium (-) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc.	Paid in cash	Cash donations and bequests	Discount (+) premium (-) on stock bought for cancellation	Cash retained for repayment	Debt redeemed from prior year cash payments	By conversion etc.			
Security	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Brought forward	364,359,733,930	23,097,302,730	-359,749,000	278,157,997	-492,671,887	14,915,012,969	29,610,463,194	15,281	493,262	-36,198,594	71,243,296	8,057,368,707	364,094,401,593	24,378,261,527	
<b>Other Debt (payable in Sterling):</b>															
Life annuities	68,000	—	—	—	—	946	11,946	—	—	—	—	—	57,000	2,986	
3.5% Conversion Loan Sinking Fund <sup>(1)</sup>	—	—	—	—	—	—	2,041,916	—	—	—	699,272	-2,741,188	—	—	
Tax reserve certificates	288,598	—	—	—	—	—	2,393	—	—	—	—	—	286,205	11	
Certificates of tax deposit	705,963,456	66,395,670	—	—	—	—	199,933,813	—	—	—	—	—	572,425,313	20,363,165	
Temporary deposit facility	5,155,252,000	39,982,440,000	—	—	—	—	41,776,916,000	—	—	—	—	—	3,340,776,000	301,738,071	
Treasury Bills (sterling) <sup>(2)</sup>	5,666,795,000	159,130,089,789	—	3,508,385	-3,953,174	—	155,563,925,000	—	—	—	—	—	9,212,515,000	391,700,744	
Ways and Means Advances (Bank of England (Issue Department))	12,805,379,710	101,557,503,000	—	—	—	—	98,995,133,621	—	—	—	—	—	15,367,749,089	922,107,105	
Ways and Means Advances (Other)	12,920,176,042	199,069,035,720	—	—	—	—	201,447,766,459	—	—	—	—	—	10,541,443,303	54,164,391	
International Monetary Fund—Interest-Free Notes	4,372,450,000	2,130,900,000	—	—	—	—	850,475,000	—	—	—	—	—	5,652,875,000	—	
Bank of England (Issue Department)—Treasury liability	—	—	—	—	—	11,429,893	11,429,893	—	—	—	—	—	—	—	
<b>Total: Other Debt payable in Sterling</b>	<b>41,626,372,806</b>	<b>501,916,364,179</b>	<b>-359,749,000</b>	<b>3,508,385</b>	<b>-3,953,174</b>	<b>11,430,839</b>	<b>498,867,638,041</b>	<b>15,281</b>	<b>493,262</b>	<b>-36,198,594</b>	<b>699,272</b>	<b>-2,741,188</b>	<b>44,688,126,910</b>	<b>1,690,076,473</b>	
<b>Total Debt payable in Sterling</b>	<b>405,986,106,736</b>	<b>525,013,666,909</b>	<b>-359,749,000</b>	<b>281,666,382</b>	<b>-496,625,061</b>	<b>14,926,443,808</b>	<b>528,478,101,235</b>	<b>15,281</b>	<b>493,262</b>	<b>-36,198,594</b>	<b>71,942,568</b>	<b>8,054,627,519</b>	<b>408,782,528,503</b>	<b>26,068,338,000</b>	

<sup>(1)</sup> See 3½% Conversion Loan 1961 or after (page 59).

<sup>(2)</sup> Revision to previous year's outturn.



**B21: THE NATIONAL DEBT: COMPOSITION AND TRANSACTIONS IN 1998-99—continued**

Security	Principal outstanding 31 March 1998(£)	Borrowing in 1998-99					Repayments in 1998-99					Principal outstanding 31 March 1999(£)	Interest paid in 1998-99	Foreign Currency		
		Received in cash(£)	Discount (+)/premium (-) on stock issues	Borrowing not yet brought to account	Cash receipts in respect of prior year borrowing	By capital uplift, conversion etc.(£)	Paid in cash(£)	Cash donations and bequests	Discount (+)/premium (-) on stock bought for cancellation	Cash retained for repayment	Debt redeemed from prior year cash payments				By conversion etc.	
Brought forward	£ 405,986,106,736	£ 525,013,666,909	£ -359,749,000	£ 281,666,382	£ -496,625,061	£ 14,926,443,808	£ 528,478,101,235	£ 15,281	£ -493,262	£ -36,198,594	£ 71,942,568	£ 8,054,627,519	£ -408,782,528,503	£ 26,068,338,000		
<b>Other Debt (payable in external currencies):</b>																
United States of America: Government Loan under Financial Agreement dated 6 December 1945 (Cmnd. 6708)(£)	444,503,888						77,750,477									
Government of Canada: Loan under Financial Agreement, dated 6 March 1946 (Cmnd. 6904)(£)	85,539,080						13,709,421									US \$614,284,088
Floating Rate Notes US \$2Bn 2001(£)	1,194,386,384															
US \$2Bn Bond 2001(£)	1,194,386,384															
EURO Treasury Bills(£)	2,441,348,215						8,653,117,785									
Other public sector debt assigned to Her Majesty's Government	6,538,457						570,598									
EURO Treasury Notes(£)	3,553,530,312						1,544,840,000									
EURO Bonds(£)	1,766,765,156															
US \$3Bn Bond Issue 2002	1,791,579,576															
<i>Totals, debt payable in external currencies</i>	12,458,577,452	10,184,775,122				499,815,403	10,289,988,281						12,853,179,696	723,799,864		
<b>TOTAL NATIONAL DEBT</b>	418,444,684,188	535,198,442,031	-359,749,000	281,666,382	-496,625,061	15,426,259,211	538,768,089,516	15,281	493,262	-36,198,594	71,942,568	8,054,627,519	421,633,708,199	26,792,137,864		

(1) These figures represent the Sterling amounts received/paid during the financial year valued at the market rates prevailing at the time the transactions were arranged.

(2) These figures represent the change in the Sterling value of the debt resulting from changes in the valuation of the outstanding external debt.

(3) Valued at middle market rates at 31 March 1999 (£1 = US \$1.6138, Can \$2.4415, DM 2.9242, EURO 1.495090).

(4) By agreement with the Governments of the United States and Canada, payment of the interest on these loans due on 31 December 1956, 1957, 1964, 1965, 1968 and 1976, amounting to US\$ 424,322,545.59 and Can \$115,802,213.36, respectively was deferred (Table B22 refers).

(5) Payment of the instalments of principal on these loans due on 31 December 1957, 1964, 1965, 1968 and 1976 was also deferred (Cmnds. 121 and 178).

(6) Correction to previous year's principal outstanding.

(7) Previously denominated in ECU.

## B22: NATIONAL LOANS FUND CONTINGENT AND OTHER LIABILITIES

	Amount outstanding at 31 March 1998	Increases		Decreases			Amount outstanding at 31 March 1999
		Interest, dividends and prizes payable	NLF cash issues of interest, dividends and prizes	Net cash issues retained for payment	Prior year cash retained	Accrued interest capitalised	
<b>National Savings*</b>	£	£	£	£	£	£	£
Children's Bonus Bonds <sup>(1)</sup>	19,642,261	66,581,720	—	—	—	63,722,413	22,501,568
Deposit Bonds <sup>(1)</sup>	17,614,833	31,466,142	—	—	—	34,416,205	14,664,770
First Option Bonds <sup>(1)</sup>	13,485,881	60,497,288	60,471,544	993,499	-1,390,879	—	13,909,005
Income Bonds <sup>(2)</sup>	55,087,471	724,698,069	734,849,532	-1,844,626	1,511,489	—	45,269,145
Investment Deposits <sup>(2)</sup>	140,336,032	464,477,845	—	—	—	506,674,475	98,139,402
Capital Bonds <sup>(1)</sup>	57,041,936	146,884,326	—	—	—	151,872,416	52,053,846
Pensioners Guaranteed Income Bonds <sup>(2)</sup>	19,436,827	511,869,853	513,869,593	-959,853	833,371	—	17,563,569
Premium Bonds <sup>(4)</sup>	—	538,853,550	538,853,550	—	—	—	—
Save as You Earn <sup>(3)</sup>	21,004,185	6,197,329	10,335,037	-3,528,159	3,545,644	3,582,897	13,266,095
Savings Certificates <sup>(3)</sup>	2,867,259,072	989,253,964	1,213,056,088	3,052,763	-42,994,482	2,430,994,917	252,403,750
Treasurer's Account <sup>(2)</sup>	2,657,091	3,317,357	—	—	—	5,245,420	729,028
Yearly Plan <sup>(2)</sup>	52,681,711	17,176,494	32,611,761	41,822	-2,021,309	35,002,994	4,222,937
<b>Total National Savings</b>	<b>3,266,247,300</b>	<b>3,561,273,937</b>	<b>3,104,047,105</b>	<b>-2,244,554</b>	<b>-40,516,166</b>	<b>3,231,511,737</b>	<b>534,723,115</b>
<b>National Investment and Loans Office</b>							
<i>Miscellaneous Financial Provisions Act 1955</i>							
Unclaimed Dividends	30,242,667	—	—	—	—	—	31,890,662
<b>National Loans Act, 1968 Section 9</b>							
Bank of England Issue Department	9,282,219,509	—	—	—	—	—	8,693,779,504
<b>Foreign Debt<sup>(5)</sup></b>							
United States of America: Government Loan under Financial Agreement dated 6 December 1945 (Cmnd 6708)—Deferred interest	253,402,535	—	—	—	—	—	262,933,787
Government of Canada: Loan under Financial Agreement dated 6 March 1946 (Cmnd 6904)—Deferred interest	48,613,498	—	—	—	—	—	47,430,765

\*The figures in this table have been supplied by National Savings and are subject to revision.

(1) Non-capitalised interest.

(2) Accrued interest.

(3) Accrued interest and index-linking bonus.

(4) Prize money.

(5) See footnote 4 on page 63 for detail.

## B23: SERVICE OF THE NATIONAL DEBT

	1997-98 £	1998-99 £	1998-99 £
Interest (see Table B21)	27,877,799,912		26,792,137,864
Management and Expenses			
(i) Management of the Debt:			
Bank of England	11,531,465		5,155,311
Bank of Ireland	101,224		17,790
Total Management	11,632,689		5,173,101
(ii) Expenses of the Debt:			
Premium Savings Bonds: prize money	429,064,050	538,853,550	
Gilt-edged securities	534,572	234,125	
Costs in respect of DM Bond 1997	225	—	
CRND Gilt-edged Official Operations Account (GOOA)	49,900	49,300	
Total Expenses	429,648,747		539,136,975
Total Management and Expenses	441,281,436		544,310,076
<b>TOTAL SERVICE OF THE NATIONAL DEBT</b>	<b>28,319,081,348</b>		<b>27,336,447,940</b>

**B24: SINKING FUNDS**Principal of life annuities  
(19 & 20 Geo. 5 c. 29)

Issued from the National Loans Fund	£ 11,946	Amount applied in the year to the extinction of an equal nominal amount of the capital liability in respect of such annuities	£ 11,946
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3½% Conversion Loan Sinking Fund  
(11 & 12 Geo. 5 c. 32)

Issued from the National Loans Fund	£ 2,041,916	Amount applied in purchase and cancellation of £3,222,220 3½% Conversion Loan	£ 2,741,188
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**B25: DEBT REDEEMED THROUGH SINKING FUNDS IN 1998–99  
RECONCILIATION WITH CASH ISSUES**

Debt redeemed (as detailed on pages 59 and 62) .. .. .		£ 3,233,220
Issues (as detailed above) .. .. .		2,753,134
Excess of debt redeemed over issues .. .. .		<u>480,086</u>
viz:		
Discount on 3½% Conversion Loan redeemed through Sinking Fund	£ 481,032	
Life annuities—increase (-)/decrease (+) of debt redeemed on revaluation	<u>-946</u>	
		<u>480,086</u>

**B26: DEBT REDEEMED BY CANCELLATION, ETC IN 1998–99**

	<i>Cash/Cash equivalent applied</i> £	<i>Debt cancelled</i> £
Miscellaneous cash receipts applied by National Investment and Loans Office to debt redemption:		
Donations and bequests .. .. .	15,060	27,207
Stock transferred and cancelled:		
Donations and bequests .. .. .	221	309
Total stock cancelled .. .. .	<u>15,281</u>	<u>27,516</u>

**SECTION 5**  
**OTHER SUPPLEMENTARY INFORMATION**  
**B27: GILT-EDGED STOCK: DISCOUNTS/PREMIUM AND THE COST OF FINANCING IN 1998-99**

	Marketable Securities <sup>(1)</sup>			Undated	Non-Marketable Securities		Total
	Up to 5 years	5-15 years	Over 15 years		£	£	
<b>Discount/Premium on gilts in issue</b>	£	£	£	£	£	£	
Discount/(Premium) as at 31 March 1998 <sup>(2)(3)</sup>	904,896,796	5,384,279,664	4,985,816,569	—	(43,860,846)	11,231,132,183	
Discount/(Premium) on issues in the year ended 31 March 1999 <sup>(4)</sup>	—	(82,318,550)	(206,364,000)	—	(71,066,450)	(359,749,000)	
Adjustments for stock conversions in the year ended 31 March 1999	1,073,466,036	552,158,096	—	—	33,700,000	1,659,324,132	
(Charge)/(Credit) for the year ended 31 March 1999 <sup>(5)</sup>	(178,550,928)	(465,641,837)	(246,642,303)	—	3,108,369	(887,726,699)	
Discount/(Premium) as at 31 March 1999	1,799,811,904	5,388,477,373	4,532,810,266	—	(78,118,927)	11,642,980,616	
<b>Cost of financing in 1998-1999</b>							
Interest payable for the year ended 31 March 1999 <sup>(6)</sup>	8,088,565,316	8,624,454,905	3,939,528,822	101,752,081	638,638,027	21,392,939,151	
Capital uplift on index-linked stocks	345,633,673	902,129,376	812,924,450	—	24,601,025	2,085,288,524	
Discount/(Premium) on cancellations in the year ended 31 March 1999	—	—	—	—	—	—	
Charge/(Credit) for the year ended 31 March 1999 <sup>(5)</sup>	178,550,928	465,641,837	246,642,303	—	(3,108,369)	887,726,699	
Total cost of financing gilts in 1998-99	8,612,749,917	9,992,226,118	4,999,095,575	101,752,081	660,130,683	24,365,954,374	

<sup>(1)</sup> Reflects changes in maturity group.

<sup>(2)</sup> Reflects adjustments to previous year's figures.

<sup>(3)</sup> Outstanding discount/premium to be apportioned over remaining life of gilts.

<sup>(4)</sup> These figures reflect the amounts shown in the National Debt table (B21).

<sup>(5)</sup> Represents the charge/credit in respect of the discount/premium amortised over the life of the gilts.

<sup>(6)</sup> These figures are calculated on an accruals basis. The interest figures included in the National Debt table (B21) are taken from the NLF Account and are on a cash basis.

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