

Royal Mail Statutory Pension Scheme

Introduction

This Supplementary Estimate is required for the following purposes:

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Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
(Section A) A reduction in payments against provisions of £57,000,000, with offsetting reduction in release of provision of £57,000,000; a reduction in cash income from inward transfers of £4,000,000 and a reduction in interest on scheme liabilities of £57,000,000.		-53,000,000	
Total change in Resource AME (Voted)		-53,000,000	-53,000,000
(Section A) A reduction in payments against provisions of £57,000,000, with offsetting reduction in inward transfers of £4,000,000.		-53,000,000	
Total change in Net Cash Requirement		-53,000,000	-53,000,000

Part I

£

	Voted	Non-Voted	Total
Departmental Expenditure Limit			
Resource	-	-	-
Capital	-	-	-
Annually Managed Expenditure			
Resource	-53,000,000	-	-53,000,000
Capital	-	-	-
Total Net Budget			
Resource	-53,000,000	-	-53,000,000
Capital	-	-	-
Non-Budget Expenditure	-		
Net cash requirement	-53,000,000		

Supplementary amounts required in the year ending 31 March 2013 for expenditure by Royal Mail Statutory Pension Scheme on:

Annually Managed Expenditure:Expenditure arising from:

Payment of pensions etc to members of the Royal Mail Statutory Pension Scheme, related expenditure and non-cash items.

Income arising from:

Income arising from the transfer over time to the Royal Mail Statutory Pension Scheme of certain benefits from the Royal Mail pension plan.

Department for Business, Innovation and Skills will account for this Estimate.

Part II: Changes Proposed

£'000

Present		Net Resources Changes		Revised		Present	Net Capital Changes	Revised
Admin 1	Prog 2	Admin 3	Prog 4	Admin 5	Prog 6	7	8	9
Spending in Annually Managed Expenditure (AME)								
Voted Expenditure								
-	1,519,000	-	-53,000	-	1,466,000	-	-	-
<i>Of which:</i>								
A RMSPS Pension Scheme								
-	1,519,000	-	-53,000	-	1,466,000	-	-	-
Total Spending in AME								
		-	-53,000					
Total for Estimate								
		-	-53,000					
<i>Of which:</i>								
Voted Expenditure								
		-	-53,000					
Non Voted Expenditure								
		-	-					

£'000

	Present Plans	Changes	Revised Plans
Net Cash Requirement	1,308,000	-53,000	1,255,000

Part II: Revised subhead detail including additional provision

£'000

Revised Plans								
Resources						Capital		
Administration			Programme					
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net
1	2	3	4	5	6	7	8	9
Spending in Annually Managed Expenditure (AME)								
Voted expenditure								
-	-	-	1,467,000	-1,000	1,466,000	-	-	-
<i>Of which:</i>								
A RMSPS Pension Scheme								
-	-	-	1,467,000	-1,000	1,466,000	-	-	-
Total Spending in AME								
-	-	-	1,467,000	-1,000	1,466,000	-	-	-
Total for Estimate								
-	-	-	1,467,000	-1,000	1,466,000	-	-	-
<i>Of which:</i>								
Voted Expenditure								
-	-	-	1,467,000	-1,000	1,466,000	-	-	-
Non Voted Expenditure								
-	-	-	-	-	-	-	-	-

Part II: Resource to cash reconciliation

£'000

	Present Plans	Changes	Revised Plans
Net Resource Requirement	1,519,000	-53,000	1,466,000
Net Capital Requirement	-	-	-
Accruals to cash adjustments	-211,000	-	-211,000
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-1,524,000	57,000	-1,467,000
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-	-	-
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-	-	-
Add cash grant-in-aid	-	-	-
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	1,313,000	-57,000	1,256,000
Removal of non-voted budget items	-	-	-
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
Net Cash Requirement	1,308,000	-53,000	1,255,000

Part III: Note A - Forecast Combined Revenue Account & Reconciliation Table

	£'000
	Revised Plans
Gross Programme Costs	1,467,000
<i>Of which:</i>	
Increases in liability	-
Interest on scheme liability	1,467,000
Other expenditure	-
<i>Less:</i>	
Contributions received	-
Transfers in	-1,000
Other income	-
Net Programme Costs	1,466,000
Total Net Operating Costs	1,466,000
<i>Of which:</i>	
Resource DEL	-
Capital DEL	-
Resource AME	1,466,000
Capital AME	-
Non-budget	-
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the FCRA	-
<i>Adjustments to remove:</i>	
Capital in the FCRA	-
Non-Budget Consolidated Fund Extra Receipts in the FCRA	-
Other adjustments	-
Total Resource Budget	1,466,000
<i>Of which:</i>	
Resource DEL	-
Resource AME	1,466,000
<i>Adjustments to include:</i>	
Prior period adjustments	-
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
Total Resource (Estimate)	1,466,000

Part III: Note B - Analysis of Departmental Income

£'000

**Revised
Plans**

Voted Resource AME	-1,000
<i>Of which:</i>	
Programme	
Pensions	-1,000
<i>Of which:</i>	
A RMSPS Pension Scheme	-1,000
Total Programme	<u>-1,000</u>
Total Voted Resource Income	<u>-1,000</u>

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

No CFER income or receipts are expected in 2012-13.

Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

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

Accounting Officer: Martin Donnelly

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

In discharging these responsibilities, particular regard is given to:

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

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

