

CONTINGENCIES FUND

ACCOUNTS 1986–87

RETURN to an Order of the Honourable The House of Commons,
dated 12 January 1988 *for*

COPY “of Accounts of the Contingencies Fund, 1986–87, showing
(1) the Receipts and Payments in connection with the Fund in the year
ended the 31st day of March 1987, (2) the Distribution of the Capital
of the Fund at the commencement and close of the year; with the
Report of the Comptroller and Auditor General thereon”

Treasury Chambers, }
12 January 1988 } **NORMAN LAMONT**

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LONDON
HER MAJESTY'S STATIONERY OFFICE

CONTINGENCIES FUND

FOREWORD

The Contingencies Fund is used to meet payments for urgent services in anticipation of Parliamentary provision for those services becoming available, and to provide funds required temporarily by any Government Department for necessary working balances, or to meet other temporary cash deficiencies. In addition, the Fund is used to meet payments for miscellaneous items not appropriate to any specific Parliamentary Supply Vote. No payment may remain as a final charge on the Fund and Parliamentary authority for these miscellaneous payments is obtained, and the Fund repaid, from an annual Vote entitled "Other Services: Repayments to the Contingencies Fund" taken in the year following that in which the payments are made.

The permanent capital of the Fund was increased to £1,500,000 by section 52 of the Finance Act 1921. Section 3 of the Miscellaneous Financial Provisions Act 1946, as amended by the Contingencies Fund Act 1974, provides that the capital of the Fund, including the permanent capital, may be increased as necessary up to an amount equal to 2 per cent of the authorised supply expenditure for the year ending on the previous 31st March. "Authorised supply expenditure" is defined as the total of the sums which Acts passed before the end of that year have authorised the Treasury to issue out of the Consolidated Fund for supply services for that year. The total supply expenditure authorised for 1985–86 was £99,275,190,000 and accordingly the maximum capital available to the Fund in 1986–87 was £1,985,503,800. For 1986–87 the total supply expenditure authorised was £103,924,222,000 and accordingly the maximum capital available to the Fund in 1987–88 is £2,078,484,440.

F.E.R. Butler
Accounting Officer

Treasury
12 November 1987

CONTINGENCIES FUND

I. ACCOUNT OF RECEIPTS AND PAYMENTS IN THE YEAR ENDED 31 MARCH 1987

	£	£	1985-86 £
RECEIPTS			
Issues from the Consolidated Fund under the Miscellaneous Financial Provisions Act 1946 and the Contingencies Fund Act 1974 to increase temporarily the capital of the Fund		3,175,000,000	3,120,000,000
Advances recovered from:			
1. Sundry Votes of Parliament (Note 1)	1,506,716,331		1,963,171,298
2. Various sources:			
Advances to Customs and Excise in anticipation of revenue	3,471,200,000		2,516,750,000
Advances to Inland Revenue in anticipation of revenue	1,465,000,000		1,385,000,000
3. Vote for Other Services:			
Repayments to the Contingencies Fund, 1986-87 (Class XIX, Vote 17)	784,054		428,171
	<u>6,443,700,385</u>		<u>8,985,349,469</u>
		9,618,700,385	8,985,349,469
PAYMENTS			
Repayments to the Consolidated Fund in respect of Issues under the Miscellaneous Financial Provisions Act 1946 and the Contingencies Fund Act 1974		3,435,000,000	2,975,000,000
Advances recoverable from:			
1. Sundry Votes of Parliament (Note 1)	1,241,399,083		2,109,297,546
2. Various sources:			
Advances to Customs and Excise in anticipation of revenue	3,471,200,000		2,516,750,000
Advances to Inland Revenue in anticipation of revenue	1,465,000,000		1,385,000,000
3. Vote for Other Services:			
Repayments to the Contingencies Fund, 1987-88 (Class XIX, Vote 17) (Note 2)	282,550		784,054
	<u>6,177,881,633</u>		<u>8,986,831,600</u>
		9,612,881,633	8,986,831,600
Excess of receipts over payments (payments over receipts) for the financial year		<u>£5,818,752</u>	<u>(£1,482,131)</u>

STATEMENT OF BALANCE AS AT 31 MARCH 1987

	£	£	1985-86 £
Balance at beginning of financial year		4,789,698	6,271,829
Add (<i>Less</i>) excess of receipts over payments (payments over receipts) for the financial year		5,818,752	(1,482,131)
Balance at end of financial year		<u>£10,608,450</u>	<u>£4,789,698</u>

F. E. R. Butler
Accounting Officer

Treasury
12 November 1987

NOTES

Note 1

ADVANCES FROM THE CONTINGENCIES FUND RECOVERABLE FROM SUNDRY VOTES OF PARLIAMENT

<i>Votes</i>	<i>Code*</i>	<i>Advances</i> £	<i>Repayments</i> £
CLASS I			
1 Defence: personnel costs, etc of the armed forces and civilians, stores, supplies and miscellaneous services	(f)	4,000,000	16,000,000
2 Defence procurement	(f)	88,000,000	69,000,000
6 Sale of government shares in Royal Ordnance plc	(d)	1,159,000	—
CLASS II			
1 Overseas representation	(f)	10,000,000	—
5 Overseas aid	(b)	8,176,944	8,176,944
6 Overseas aid administration	(d)	199,719	199,719
CLASS III			
1 Budget of the European Communities	(b)	499,000,000	499,189,248
CLASS IV			
1 Agricultural support (Intervention Board for Agricultural Produce)		—	63,000,000
3 Agricultural support, animal health, arterial drainage, flood and coast protection (Ministry of Agriculture, Fisheries and Food)	(c)	400,000	400,000
4 Other agricultural and food services and support for the fishing industry (Ministry of Agriculture, Fisheries and Food)	(c)	5,000	5,000
5 Departmental research, advisory services and administration (Ministry of Agriculture, Fisheries and Food)	(c)	3,618,000	3,618,000
Carried forward		£614,558,663	£659,588,911

* See page 8

Note 1 (contd)

ADVANCES FROM THE CONTINGENCIES FUND RECOVERABLE FROM SUNDRY VOTES OF PARLIAMENT (contd)

<i>Votes</i>	<i>Code*</i>	<i>Advances</i> £	<i>Repayments</i> £
Brought forward		614,558,663	659,588,911
CLASS V			
8 Sale of shares in British Telecommunications plc	(d)	2,050,000	2,050,000
9 Sale of government shares in Rolls Royce plc	(a)	1,000,000	1,000,000
CLASS VI			
4 Petroleum licensing and royalty	(e)	4,000,000	4,000,000
6 Sale of shares in British Gas	{ (a) (b) (c) (d) }	{ 985,000 141,963,000 664,000 42,181,000 }	185,743,000
CLASS VII			
1 Labour market services	(b)	110,000	110,000
CLASS VIII			
2 Transport services and central administration	(c)	1,013,000	13,000
5 Local roads and transport	(c)	6,805,000	6,805,000
6 Sale of shares in British Airways plc	{ (a) (d) (e) }	{ 186,000 17,471,930 820,000 }	18,477,930
7 Sale of shares in the British Airports Authority	(c)	128,000	128,000
8 Sale of National Bus Company operations	{ (b) (d) (e) }	{ 264,000 35,300 56,000 }	355,300
CLASS XI			
5 Administration of justice: England and Wales		—	1,000
CLASS XII			
5 Research councils, etc, Agricultural and Food Research Council	(d)	3,470,000	3,470,000
CLASS XIII			
10 Arts, the Arts Council and other institutions, the national heritage and the government art collection	(a)	3,100,000	3,100,000
Carried forward		<u>£840,810,893</u>	<u>£884,842,141</u>

* See page 8

Note 1 (contd)

ADVANCES FROM THE CONTINGENCIES FUND RECOVERABLE FROM SUNDRY VOTES OF PARLIAMENT (contd)

<i>Votes</i>	<i>Code*</i>	<i>Advances</i> £	<i>Repayments</i> £
Brought forward		840,810,893	884,842,141
CLASS XV			
1 Pension and disability benefits (non-contributory)	(f)	9,200,000	—
2 Supplementary benefits	{ (d) (f)	{ 149,767,447 27,500,000 }	378,767,447
3 Family Benefits	(f)	69,600,000	69,600,000
4 Housing benefits		—	28,100,000
CLASS XVI			
1 Agricultural support, Scotland	(c)	500,000	500,000
2 Agricultural services and fisheries, Scotland	(c)	160,000	160,000
6 Roads, transport and environmental services, Scotland	(c)	450,000	450,000
16 Student awards, Scotland	(d)	11,910	11,910
CLASS XVII			
1 Agricultural support, Wales	(c)	2,100,000	2,100,000
2 Agricultural services, support for the fishing industry, regional and industrial development, Wales	(c)	25,000	25,000
3 Regional assistance, Wales	(d)	333,675	333,675
12 Rate rebate grants to local revenues, Wales	(d)	225,158	225,158
CLASS XIX			
1 Publicity (Central Office of Information)	(d)	81,000,000	81,000,000
12 Economic and financial administration (HM Treasury)		—	400,000
13 Economic and financial administration: UK Coinage (HM Treasury)	(d)	1,480,000	1,480,000
16 Rates on government property (HM Treasury)	(e)	54,000,000	54,000,000
CLASS XX			
1 Central management of the civil service, etc Management and Personnel Office (Cabinet Office)	{ (e) (f)	{ 600,000 1,000,000 }	1,771,000
2 Other services (Cabinet Office)	{ (e) (f)	{ 150,000 150,000 }	865,000
6 Other external relations (Commonwealth War Graves Commission)	(d)	950,000	950,000
23 Legal aid, etc, Northern Ireland (Northern Ireland Court Service)	(f)	250,000	—
24 Law charges, England and Wales (Treasury Solicitor's Department)	(d)	735,000	735,000
28 Office of Gas Supply	(e)	400,000	400,000
Total		<u>£1,241,399,083</u>	<u>£1,506,716,331</u>

* See page 8

The code of letters shown against the advances indicate the purposes for which they were required. The categories, and the total advances attributable to each, are as follows:

	£
(a) Advances to meet expenditure in excess of the amount granted in the Vote on Account	5,271,000
(b) Advances to meet expenditure during the Vote on Account period on new services for which provision has been made in the original Estimate	649,513,944
(c) Advances to meet expenditure on unforeseen new services	15,868,000
(d) Advances to meet further expenditure on existing services when the cash provision on the Vote is exhausted	258,889,139
(e) Advances to meet expenditure to be financed ultimately from receipts pending the accrual of those receipts	102,157,000
(f) Advances to finance working balances over the turn of the financial year	209,700,000
	<u>£1,241,399,083</u>

Note 2

DETAILS OF ADVANCES REPAYABLE FROM THE VOTE FOR OTHER SERVICES:
REPAYMENTS TO THE CONTINGENCIES FUND, 1987-88

	£	£
Stamp duties remitted:		
On deeds and other instruments on which stamp duty would be payable by a Commonwealth or Foreign Government, or a representative of such Government in the United Kingdom	24,112	
On deeds and other instruments for Public Departments	<u>242,274</u>	
		266,386
Extra-scale payments in respect of expenses of Returning Officers for Parliamentary Elections		5,506
Payment of widow's pension to Lady Maybray-King pending Royal Assent to the Parliamentary and other Pensions Bill		4,931
Extra-scale and ex gratia payments in respect of expenses of Returning Officers for European Assembly Elections		<u>6,177</u>
		<u>£282,550</u>

II. STATEMENT SHOWING THE DISTRIBUTION OF THE CAPITAL OF THE FUND AT 1 APRIL 1986 AND 31 MARCH 1987

1 APRIL 1986

Advances outstanding, as detailed in the Account for 1985-86 (page 9), repayable from:

	£
Sundry Votes of Parliament	477,926,248
Votes for Other Services: Repayments to the Contingencies Fund	784,054
Balance as per former Account	4,789,698
	<hr/>
	£483,500,000
	<hr/> <hr/>

31 MARCH 1987

Advances outstanding, repayable from:

	£	£
Sundry Votes of Parliament:		
Defence: personnel costs, etc of the armed forces and civilians, stores, supplies and miscellaneous services	4,000,000	
Defence procurement	88,000,000	
Sale of government shares in Royal Ordnance plc	1,159,000	
Overseas representation	10,000,000	
Transport services and central administration	1,000,000	
Pension and disability benefits (non-contributory)	9,200,000	
Supplementary benefits	27,500,000	
Family benefits	69,600,000	
Central management of the civil service, etc Management and Personnel Office (Cabinet Office)	1,600,000	
Other services (Cabinet Office)	300,000	
Legal aid, etc, Northern Ireland (Northern Ireland Court Service)	250,000	
	<hr/>	212,609,000
Vote for Other Services: Repayments to the Contingencies Fund		282,550
Balance: In hands of Paymaster General		10,608,450
		<hr/>
		£223,500,000
		<hr/> <hr/>

F. E. R. Butler
Accounting Officer

Treasury
12 November 1987

I have examined the accounts on pages 4 to 9 in accordance with the National Audit Office auditing standards. In my opinion the accounts properly present the receipts and payments of the Contingencies Fund for the year ended 31 March 1987.

I have no observations to make on these accounts.

Gordon Downey
Comptroller and Auditor General

National Audit Office
18 December 1987



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