



Gangmasters  
Licensing Authority

# Gangmasters Licensing Authority Annual Report and Accounts

1 April 2009 to 31 March 2010

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1 April 2009 to 31 March 2010

Presented to Parliament pursuant to section 23  
of the Gangmasters (Licensing) Act 2004

Ordered by the House of Commons to be printed  
22 July 2010

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ISBN: 9780102966237

Printed in the UK by The Stationery Office Limited  
on behalf of the Controller of Her Majesty's Stationery Office

ID 2367432 07/10

Printed on paper containing 75% recycled fibre content minimum.

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## Mission Statement

The mission of the Gangmasters Licensing Authority (GLA) is to safeguard the welfare and interests of workers as defined by the Gangmasters (Licensing) Act 2004 (the Act), whilst ensuring labour providers operate within the law. The mission will be achieved by:

- introducing and operating a system to license labour providers, including a publicly accessible register;
- effective communication of the legal requirement for labour providers to become licensed, and to operate and remain within the formal economy;
- imposing the least possible burden on labour providers and labour users through efficient and effective processes and procedures;
- developing and promoting standards for best practice in the supply and use of temporary labour, in collaboration with stakeholders;
- checking licence holders for continued compliance with the licence conditions;
- taking enforcement action against those who operate illegally or who for other reasons are judged unfit to hold a licence;
- supporting enforcement of the law, by or in conjunction with the enforcement authorities of other government departments (OGDs), and others as appropriate through shared information and joint working;
- maintaining a continuous review of the activities of gangmasters and the effects of the Act and the Authority on them.



## Foreword

### History and Statutory Background

The GLA came into being formally on 1 April 2005 following the implementation of the Act. This is our fifth Annual Report and Accounts. This is therefore the fourth year of significant operational activity which has seen the Authority move from the initial phase of drawing as many gangmasters as possible into the formal economy, to the current phase of protecting the integrity of the licensing system through inspections and catching unlicensed gangmasters through strong and unflinching enforcement.

### Basis of Accounts

These accounts have been prepared in the form directed by the Department for Environment Food and Rural Affairs (Defra), with the approval of HM Treasury in accordance with Section 23 of the Gangmasters (Licensing) Act 2004.

The Financial Statements are prepared in accordance with regulation 13 (2) of the Gangmasters (Licensing) Authority Regulations 2005 and directions made thereunder by the Secretary of State, reporting the state of the Gangmasters Licensing Authority's affairs as at 31 March 2010 and of its surplus for the year.

### Management

We are in no doubt that effective regulation is based on proactive intelligence led enforcement activity. Our use of this approach is proving very effective in dealing with those who break the rules. It also means that we leave alone the good labour providers so they can get on with their business without unnecessary bureaucratic interference.

We will stamp out abuse, be it of vulnerable workers, the tax system, or in undercutting legitimate businesses.

Our overall management objective is effective, direct enforcement activity and we have created a nimble management structure to achieve this. We reported last year a number of favourable findings from reviews of our activities, we have not rested on our laurels and we have taken these recommendations on board and built on them. During the year we have continued to reshape the organisation in a way that focuses our resources on the front line, minimises back office costs and flattens the management control structure. Because of the changes made to our costs structure, we were able to freeze licence fees in the year at their previous year's level.

The year saw the introduction of revised Licensing Standards and our enforcement capacity increased to support our increased enforcement activity.

We have introduced new enforcement approaches in the year; two of these are: Community Enforcement Officers and Regional Field Intelligence Officers.

Community Enforcement Officers are based in the local community around regions of high gangmaster activity. This enables these fully trained enforcement officers to integrate into the community, tap into the local networks for intelligence and to provide support, and to combine with other local bodies and work jointly with them in stamping out abuse in the community.

Our enforcement activity depends on high quality intelligence. We have, over the past few years, increased our capability and in this year we have taken the next step of introducing Regional Field Intelligence Officers. These fully enforcement trained officers are our regional intelligence specialists, they work on the ground collecting intelligence directly, working with local partner organisations, and enforcing our licensing regime.

Over the year we have seen considerable benefits from these two new approaches to enforcement activity.

Firstly, we agreed a landmark protocol with the majority of the UK's major supermarkets and suppliers. The Protocol sets out an agreement to share intelligence and co-operate in stamping out malpractice and abuse in the food supply chain.

Secondly, we clamped down on those gangmasters and "umbrella companies" who abuse tax free allowances for workers as a method of undercutting rivals. In addition to revoking the licences of these rogue businesses, HM Revenue & Customs (HMRC) will take action to seek arrears of tax, National Insurance and National Minimum Wage, with penalties and interest also being sought where appropriate.

### **External Factors**

The complexity and serious nature of our enforcement activities means that more often than not we work closely with other enforcement bodies. We welcome this and looking forward we believe this will be increasingly the way we operate. Our partners include: HMRC, United Kingdom Border Agency (UKBA), Serious Organised Crime Agency (SOCA), all UK Police Forces, Employment Agency Standards Inspectorate (EASI).

We envisage that as our community enforcement approach develops we will increasingly work with local authorities and their local partners. Also, our close collaboration with the major retailers and suppliers will bring a further point of pressure on the abusive labour providers.

### **Employees**

Employees are kept informed on a regular basis about the Authority's performance and we advise them of future plans. Additionally, consultations take place with employees and their representatives so that their views may be taken into account in making decisions that are likely to affect their interests.

### **Disabled Persons**

In line with its standard practice towards applications for employment, the Authority considers applications from disabled people on the basis of the qualifications and abilities of each individual. Should an employee become disabled during the course of employment, every practical effort would be made to allow him/her to continue in his/her employment.

### **Diversity and Equality**

The Authority follows an equal opportunities policy for fair and open recruitment of permanent staff regardless of age, disability, sex or ethnic origin.

Employment and promotion is solely on merit. Precisely the same standards apply in the assessment of women and men regardless of marital status, domestic responsibilities, ethnic or national origin. Employees who work reduced hours are assessed on exactly the same basis as those working full-time and without regard to part-time status, subsequent availability or availability of posts.

### **Employee Involvement**

The Authority recognises the very large part that its staff has to play in the development of the organisation, and encourages staff involvement in the day-to-day running of its activities. This is done via normal line management contacts and team meetings are also used to disseminate information.

Supported by effective leadership, staff actively seek better ways to deliver the Authority's outputs and develop, focus and utilise their skills to make maximum impact on the achievement of the Authority's priorities.

### **Complaints Procedure**

The Authority, through the Chairman, is available to any member of the public who wishes to pursue any complaint. If not satisfied, the complainant can then refer the matter to the Parliamentary Ombudsman, who investigates complaints about maladministration or service failure on the part of the Authority.

Enquiries to the Ombudsman should be made via the complainant's local MP in writing within twelve months of the matters alleged in their complaint. The MP will then forward the complaint to the Ombudsman. In order to find out who your local MP is, please go to [www.findyourmp.parliament.uk](http://www.findyourmp.parliament.uk) or contact the House of Commons Information Office on 020 7219 4272.

### **Freedom of Information Act**

Under the Freedom of Information Act 2000, which came into force on 1st January 2005, anybody may request information from a public authority which has functions in England, Wales and/or Northern Ireland. The Act requires that all requests are in writing (this does include emails), stating clearly what information is required, the name of the applicant with an address for correspondence.

### **Information Security**

There have been no incidents of loss of personal data during the year (none 2008-09).

### **Pension Arrangements**

Pension arrangements for the Authority are covered by the Superannuation Act 1972 and reflect benefits for members of the Principal Civil Service Pension Scheme. Further details can be found within the Remuneration Report on pages 17 to 20 and in note 6 on pages 38 and 39.

### **Sickness Absence**

During the year an absence level of 3.2% was recorded (5.4% 2008-09).

**Payment Policy**

The Authority has a payment policy for all goods, services, works and contracts. Where there is no contractual provision or accepted practice governing the time of payment, the Authority's policy is to pay within 10 days of receipt of the goods or service, or within 10 days of a valid invoice, whichever is the later. This is in accordance with the Government's Best Payments Code, the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), the parliamentary control of expenditure and the need to protect the Exchequer's interest. For 2009-10 the Authority achieved an average payment time of 7.21 days (7.86 2008-09)

Overall 2009-10 has been an excellent year which has demonstrated the Authority's ability to regulate and enforce our sector. The focus remains firmly in the coming year to build on this success.

**Paul Whitehouse***Chairman*

24 June 2010

**Ian Livsey***Accounting Officer*

24 June 2010

## Directors' Report

On behalf of the directors, I am pleased to report that we have met most of the objectives we set at the beginning of the year, and where we did not achieve the objectives fully there are clear and correctable explanations, and corrective action has already been taken.

Our resources increased during the year and this consumed considerable management time but we now have in place an increased number of enforcement officers in the field. Despite this increase, the demands on the organisation are high; case loads are increasing as is the complexity of our operations and investigations. Prosecutions are increasing and appeals against licensing decisions are becoming more involved and lengthy.

We continue to receive strong support from our sponsor department, Defra, and during the year we received funding from the Department for Communities and Local Government (DCLG) for enforcement work. We continue to have and build good relationships with the devolved administration.

The Authority continues to evaluate on a regular basis the management of risk within the organisation. It is the Authority's intention to operate boldly but not recklessly in the pursuit of its mission statement. We will not retreat from taking difficult decisions to ensure vulnerable workers are treated with the respect that they deserve. The Statement on Internal Control (pages 24 to 25) details the Authority's risk and control framework in more depth.

Print and broadcast media coverage of our activities remains largely positive.

The financial statement and notes are set out in pages 28 to 47.

During 2009-10 income increased by 25.0% to £4,461,000. This was predominantly due to additional funding from Defra and a new funding stream from DCLG. The increase is also due to the inclusion of funding by Defra for a third party claim included in last year's accounts. Excluding this claim the increase in income is 8.2%.

Expenditure for the year £4,125,000 represents an increase of 0.7%. On a similar basis if the effect of the claim is discounted the increase is 18.0% and this reflects the investment in front line operational staff commented on elsewhere in this report.

After deduction of the notional cost of capital charge the Authority has reported a surplus of income over expenditure totalling £315,000 (Deficit £538,000 2008-09).

The Authority anticipates that it will continue to receive sufficient funds from Defra and others to ensure that corporate and business plan objectives can be met. For the year under review the Authority has managed to operate successfully within all of its budgeted financial targets.

The Authority has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. During the year there were no charitable donations (nil 2008-09).

It is recognised that 2010-11 will be a challenging year for all public sector bodies but the Directors remain confident that with continued support from its sponsor department that the financial position remains sound and the Authority is ready to deliver its objectives for the coming year.

Looking forward to 2010-11, we see an increasing workload stretching our resources, and we foresee that our emphasis on enforcement will result in more prosecutions of those who abuse vulnerable workers, undercut legitimate businesses and avoid paying their due share of the tax burden.

Finally, we shall be extending our activities into areas of the regulated sector that perhaps have not been closely investigated previously; for example dairy, meat processing, fish processing, bakery, poultry (including eggs), and food processing. We are determined to fulfil the remit given to us and fulfil it with vigour and without compromise to those who persist in abusive practices.

The Authority's accounts are audited by the Comptroller and Auditor General.

As Accounting Officer, I am also able to confirm that:

- As far as I am aware, there is no relevant audit information which the Authority's auditors are unaware; and
- I have taken all necessary steps to make myself aware of any relevant audit information, and also to ensure that the Authority's auditors are aware of that information.

Signed



Ian Livsey  
*Accounting Officer*  
24 June 2010

## Management Commentary

### Performance Against Targets 2009-10

<b>Enforcement, Inspections and Compliance</b>			
<b>Objective</b>	<b>Measure</b>	<b>Target Achieved</b>	<b>Commentary</b>
To carry out a series of high profile operational projects and planned enforcement activity which will disrupt and deter non-compliant labour providers. Enforcement activities throughout the year will include road stops, labour user visits and planned operations.	12 projects in 2009-10	Yes	A great deal of resource has been expended in this area with the subsequent raising of the GLA's profile in the media.
The GLA will make licensing decisions promptly based on evidence from inspections.	80% of applications requiring a licence decision completed within 3 days of receipt of the inspection report.	No	Achieved 57% within 3 days. Staff absences and more complicated cases have contributed to this failure.
A projected number of new licence inspections will be completed. It is budgeted that 150 new applications will be received during the year.	150 application inspections completed.	Yes	For the third year running applications have substantially exceeded budget. Due to the GLA's policy of 100% inspections for applications this has proved to be a substantial use of resources.
To inspect licence holders classed as new businesses – those labour providers that have the "new business" tag on the public register suggesting that they are not currently trading in the regulated sector.	Consideration of 80% of new business inspections.	Target suspended	
To meet inspection timescales (time from scheduling to inspection report input).	At least 80% of application and compliance inspections carried out within 30 working days.	No	Volumes have created resource problems throughout the year but additional resources should improve performance in 2010-11.

<b>Enforcement, Inspections and Compliance</b>			
<b>Objective</b>	<b>Measure</b>	<b>Target Achieved</b>	<b>Commentary</b>
To ensure that inspections are carried out consistently and accurately.	10% random review of inspection reports.	Yes	
	100% review of inspections where a concern has been raised.	Yes	
Effective use of intelligence analysis to support field operations	95% of intelligence systems checks entered into the GLA licensing system within 10 days.	Yes	
To meet investigation timescales (from initiation to appropriate conclusion eg. appropriate sanction, if offences are proven).	All referrals to the prosecuting authority are completed within the timescales outlined in the relevant service level agreements (SLAs).	Yes	
To ensure inspections and operations are intelligence led.	80% of tasked inspections results in the identification of serious non-compliance/unlicensed activity that is sanctionable (additional licence conditions, revocation, warning or prosecution).	Yes	

<b>Policy and Communications</b>			
<b>Target</b>	<b>Measure</b>	<b>Target Achieved</b>	<b>Commentary</b>
Securing positive high level media coverage for GLA operations.	Media plan produced for each operational project. Press releases issued for revocations and refusals as part of the "naming and shaming" campaign. Post-operation monitoring and media follow up identifying take-up by types of media.	Yes	
Compliance with Application Submission Strategy: applicants chose the web as their preferred option due to ease of use, speed and accessibility as evidenced through feedback.	75% of renewals for a gangmasters licence made online.	Target suspended	It became apparent during the year that licence holders preferred to discuss their renewal applications with the GLA helpdesk. Further research will be undertaken.
Providing information to labour providers and labour users.	Production of Licensing News – quarterly Production of Labour Users Newsletter - quarterly	Yes	
Meeting response times for public correspondence.	Draft responses to written parliamentary questions (PQs) within 3 working days.	Yes	
	Draft responses to oral PQs within agreed deadlines.	None received	
	Correspondence to ministers and members of the public within 5 working days and a full response within 15 working days. If this is impractical, a letter will be sent within 5 working days setting out the response timeframe.	No	Target missed on one occasion.

	Freedom of Information and Data Protection enquiries responded to within 20 working days.	No	Target missed on two occasions.
	Initial response to appeals sent within 5 working days and a full response within 20 working days.	Yes	
	No more than 5% of enquiries result in further correspondence.	Yes	

<b>Financial Performance</b>			
<b>Target</b>	<b>Measure</b>	<b>Target Achieved</b>	<b>Commentary</b>
Operate on an effective and efficient basis to ensure that no undue financial burden is imposed on licence payers. Reduce the unit cost of issued licences.	5% reduction over the 2008-09 costs of processing licences.	Yes	The unit cost reduced by 11% in the year.
To increase the volume of waste paper and toner cartridges sent for recycling and monitor the CO <sub>2</sub> emissions of GLA business related travel.	Monthly report on the volume of waste paper recycled, numbers of toner cartridges recycled and CO <sub>2</sub> emissions.	Yes	

<b>People</b>			
<b>Target</b>	<b>Measure</b>	<b>Target Achieved</b>	<b>Commentary</b>
To work towards achieving Investors in People (IiP) status in June 2009.	IiP Status to be achieved.	Target suspended	Further work is being done in this area with a view to re-evaluating the target for 2010-11.
The GLA will seek to deal with complaints about GLA staff or processes within the agreed timetable.	90% of all written complaints responded to fully, within either 5 working days or 15 working days (if a full investigation is required).	No	80% of complaints were responded to within the timeframe.
We will continually review our staffing and structure to ensure that the organisation remains fit for purpose as its operations evolve.	Analysis of future human resource needs to meet business and skills requirements is used to recruit, retain, retrain or deploy staff. This may include geographical mapping of activity to enable efficient deployment of resources.	Yes	Operations directorate has been reviewed and a Chief Operating Officer appointed. Staff levels have increased dramatically during the third and fourth quarters.

<b>Strategic Management</b>			
<b>Target</b>	<b>Measure</b>	<b>Target Achieved</b>	<b>Commentary</b>
Completion of Annual Review of GLA Worker Survey.	A survey of workers will be completed by 31 March 2010 as proposed in the Annual Review of 2008 carried out by the University of Liverpool and the University of Sheffield.	No	Due to financial cutbacks this target has been suspended and the Authority is undertaking a review of stakeholder communications.
Revisions to board process, structure and membership implemented.		Target suspended	Target to be undertaken by Defra.

**Authority's Objectives 2010-11**

<b>Operations</b>	
<b>Target</b>	<b>Measure</b>
Identify the number of workers protected from abuse and exploitation following an enforcement operation and take appropriate action in all cases.	Number of workers controlled by labour providers subject to enforcement operation, combined with financial benefit recovered by exploited workers.
To carry out at least 18 high impact enforcement operations.	Monthly monitoring of enforcement operations.
80% of tasked intelligence driven operations result in identification of serious non-compliance or unlicensed activity.	The number of operations identifying serious non compliances.  Unlicensed activity.  Licence revocations.  Successful prosecutions.
All high impact enforcement operations in the above measure lead to positive media coverage of GLA activities.	Analysis of media coverage of activities.
Increased intelligence and operational effectiveness through partnership working with local authorities.	Operating Memorandum of Understanding signed by at least 80 local authorities.
Amount of tax revenues identified which would have been unpaid if enforcement operations had not taken place.	Estimate of tax recovered for individual enforcement operations and annual estimate of aggregate tax saving based on operations.

<b>People</b>	
<b>Target</b>	<b>Measure</b>
Train and skill staff to ensure they can contribute to the achievement of the business plan.	Achievement of formal qualifications relevant to GLA activities.
Have good employee relations with staff and the recognised trade union.	<p>Effective internal communication and liaison.</p> <p>Quarterly Whitley meetings progress GLA/PCS relationship.</p> <p>Staff forum for non-unionised staff operates effectively.</p> <p>Staff survey and external assessments.</p>

<b>Finance</b>	
<b>Target</b>	<b>Measure</b>
Reduction of at least 5% in the cost of processing a licence application or renewal.	Licensing costs monitored monthly.
Monthly report on the volume of waste paper recycled, numbers of toner cartridges recycled and CO <sub>2</sub> emissions.	Monthly monitoring of environmental performance.

<b>Corporate</b>	
<b>Target</b>	<b>Measure</b>
Quarterly statistical bulletin.	Quarterly bulletin published for board discussion.
Exploitation Index developed, measured and published.	Indices of (i) fair employment; (ii) fair treatment at work; and (iii) fair treatment outside work, based on non-compliances against GLA licensing standards.
A Composite Performance Index (CPI) for the GLA will be produced at year end 2010-11.	Production of CPI by 31 March 2011.

## **Remuneration Report**

### **Contract Information**

#### **Policy on the Remuneration of Senior Managers**

The salary packages for all senior managers were set by Defra using a benchmarking process to define comparable packages for the area and the specialist skills required and are in line with Civil Service guidelines. All positions were advertised nationally. Salary information is recorded in the table below.

The Chairman of the Authority is employed on a contract basis. Payments made during the financial year total £30,000 (£30,000 2008-09) which are included in the staff costs total of £2,540,000 (£2,089,000 2008-09) in note 5 on page 38 to the financial statements. Payments of £14,000 (£12,000 2008-09) have also been made to the Chairman in regard to travel and subsistence.

The Chief Executive, Ian Livsey, is employed on a three year contract which commenced on 1 November 2007.

#### **Board Members**

No board member who served during the year received any remuneration. Normal business related travel and subsistence was reimbursed in line with Authority policy.

#### **Policy on the Duration of Contracts and Notice Periods**

All senior managers' contracts within the organisation contain a three month notice period which would be an appropriate time to allow for a handover period.

#### **Policy on Performance Related Pay**

All Authority staff members, other than casual staff, may qualify for performance related pay (PRP) in addition to basic salaries. The remuneration for senior managers is set by the Remuneration Committee consisting of the Executive Management Board and the Chairman (where appropriate) who also consider recommendations from all employees regarding bonuses. Bonuses will be awarded subject to individuals meeting agreed objectives in line with the Authority's corporate objectives. All individual performance objectives are determined by a departmental analysis of the Authority's corporate objectives.

## Salary Information (Subject to Audit)

Payments for performance related pay amounting to £30,669 (£7,000 2008-09) have been paid to senior managers during 2009-10.

The Chief Executive's PRP is determined by existing arrangements for senior civil servants and is again dependent upon meeting agreed personal objectives.

Senior Manager	Title	2009-10 Salary & Performance Related Bonus (in bands of £5,000)	2008-09 Salary & Performance Related Bonus (in bands of £5,000)
Ian Livsey	Chief Executive	90-95	80-85
Ray Dawson	Chief Operating Officer	80-85	70-75
Darryl Dixon	Director of Strategy	65-70	60-65
Nicola Ray	Director of Projects	35-40	30-35

## Benefits in Kind

No other benefits in kind or compensation were paid. No compensation is payable to any former senior managers.

The Authority does not offer any remuneration package which is not in the form of cash.

## Pension Information

### The real increase in the value of the Cash Equivalent Transfer Value (CETV)

This is effectively the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the member and is calculated using common market valuation factors for the start and end of the period.

### CETV

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. It is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total pensionable service, not just their current appointment. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

## Civil Service Pensions

Pension benefits are provided through the Civil Service Pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the

Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension accounts is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

### CETV Information (Subject to Audit)

#### 2009-10

Senior Manager	Increase in pension (Bands of £2,500)	Real increase/ (decrease) in lump sum at age 60 (Bands of £2,500)	Value of accrued pension (Bands of £5,000)	Related lump sum at age 60 (Bands of £5,000)	Cash equivalent transfer value (TV) at 1 April (£1,000)	Cash equivalent transfer value (TV) at 31 March (£1,000)	Real increase in cash equivalent TV in year (£1,000)	Employers contribution to Partnership pension
Ian Livsey	0-2.5	N/A	0-5	N/A	33	58	21	N/A
Ray Dawson	2.5-5	N/A	15-20	N/A	292	357	46	N/A
Darryl Dixon	0-2.5	2.5-5	20-25	60-65	304	351	27	N/A
Nicola Ray	0-2.5	0-2.5	15-20	25-30	170	203	21	N/A

2008-09								
Senior Manager	Increase in pension (Bands of £2,500)	Real increase/ (decrease) in lump sum at age 60 (Bands of £2,500)	Value of accrued pension (Bands of £5,000)	Related lump sum at age 60 (Bands of £5,000)	Cash equivalent transfer value (TV) at 1 April (£1,000)	Cash equivalent transfer value (TV) at 31 March (£1,000)	Real increase in cash equivalent TV in year (£1,000)	Employers contribution to Partnership pension
Ian Livsey	0-2.5	N/A	0-5	N/A	9	32	19	N/A
Ray Dawson	0-2.5	N/A	15-20	N/A	247	293	24	N/A
Darryl Dixon	0-2.5	2.5-5	15-20	55-60	266	308	21	N/A
Nicola Ray	0-2.5	(0-2.5)	10-15	5-10	157	173	1	N/A

The opening CETV figure may be different from the closing figure in last year's accounts. This is due to the CETV factors being updated to comply with The Occupational Pension Schemes (transfer values) (amendment) Regulations 2008.

### Declarations of Interest

Senior Manager	Declaration of Interest
Paul Whitehouse, Chairman	Directorships: Sidcot School Limited Sidcot Leisure Limited The Dutch Barge Association Ltd  Trusteeships: Starehe UK Quakers & Business Group
Ian Livsey, Chief Executive	Chairman, SummitSkills
Ray Dawson, Chief Operating Officer	None
Darryl Dixon, Director of Strategy	None
Nicola Ray, Director of Projects	None

## Authority Board Composition

The Authority's Board consists of the Chairman, Paul Whitehouse, thirteen representative members with six vacancies currently, nine ex-officio members and one official observer. Meetings are also attended by the Authority's Executive. A public register of interests for Board Members is held, and this may be accessed via the Authority's website, [www.gla.gov.uk](http://www.gla.gov.uk).

Board members have been nominated from organisations across the associated sectors, both industry and government bodies, to represent the full range of views. Their responsibility is to ensure the Authority fulfils its roles and complies with the Gangmasters (Licensing Authority) Regulations 2005.

Board meetings are currently held on a quarterly basis and are open to the public.

### Representative Members

The Association of Labour Providers	David Camp and Joanne Young
National Farmers Union	Sharon Cross and Phil Hudson
National Farmers Union Scotland	Graham Bruce
The Recruitment and Employment Confederation	Marshall Evans
Trade Union Congress	Hannah Reed one vacant
Unite	Two positions currently vacant
British Retail Consortium	Chris McCann
Fresh Produce Consortium	Nigel Jenney
Food and Drink Federation	Position currently vacant
National Association of Citizens Advice Bureau	Jane Mordue
Sea Fish Industry Authority	Position currently vacant
Shellfish Association of Great Britain	Gillian Mills
Association of Chief Police Officers	Simon Chesterman
Police Superintendents Association	Russell Hardy
Local Authorities Coordinators of Regulatory Services	Position currently vacant

### Ex-Officio Members

Representatives of:

The Secretary of State for Home Affairs	Jeremy Oppenheim
Department for Business, Innovation and Skills	Carl Cresswell
The Secretary of State for Work and Pensions	Rebecca Murphy
The Health and Safety Executive	David Coackley
The Scottish Ministers	Ron Vass
The Welsh Assembly for Wales	Gary Haggaty
The Secretary of State for Environment, Food and Rural Affairs	Jeremy Cowper
The Commissioners of Inland Revenue and the Commissioners of Customs and Excise jointly	Robin Wythes
The Minister for Agriculture and Rural Development for Northern Ireland	John Speers

### Official Observer

Ethical Trading Initiative	Dan Rees
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Signed on behalf of the Authority

A handwritten signature in black ink that reads "Ian Livsey". The signature is written in a cursive, slightly slanted style.

**Ian Livsey**  
*Accounting Officer*  
24 June 2010

## Statement of Accounting Officer's Responsibilities

Under the Gangmasters (Licensing) Act 2004, the Secretary of State has directed the Gangmasters Licensing Authority to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Authority and of its net expenditure, statement of financial position, cash flows and changes in tax payers' equity for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- Prepare the accounts on a going concern basis.

Ian Livsey was appointed Accounting Officer on 1 November 2007. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Gangmasters Licensing Authority's assets, are set out in the Accounting Officer's Memorandum issued by HM Treasury and published in Managing Public Money.

## **Statement on Internal Control**

### **Scope of Responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Authority's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

The system of internal control in use has been subject to regular review by the executive team. In addition the Audit and Risk Committee (ARC) meet regularly to review risks both commercial, operational, fraud and pension. I am required to allow the ARC to have complete access to any information to enable them to report to the Authority's Board.

The Authority is sponsored by Defra and I am obliged to report regularly to satisfy the department of the regulatory and propriety of expenditure relating to enforcement, the responsibility for which has been delegated directly to the Authority by the Secretary of State.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable but not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Authority policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

### **Capacity to Handle Risk**

Commercial, operational, fraud and pension risks are identified and reviewed monthly by the Senior Management Team (SMT) and then the Executive Management Board (EMB). In my capacity as Chief Executive I will agree which individual senior manager will assume lead responsibility for each risk along with an assessment of its potential impact and effective countermeasure. The risk registers are presented to the quarterly ARC with comment and proposed action.

The Authority strives to facilitate the development and application of self-assessment techniques and ensures, wherever possible, that all critical changes to methodologies are subjected to risk analysis. Staff are trained in risk management which has become embedded in the activity of the Authority.

The Authority is responsible for managing a diverse range of risks and is committed to engaging effectively with its customers and stakeholders to ensure that their views are known and taken into account in the decision making process.

Due to the nature of the Authority's business and its determination to enforce the rights of exploited workers, it is almost inevitable that revocations of existing licences will be the subject of appeal. This is probably the largest single risk facing the Authority and I take a keen personal interest in this area. The Authority's record in defending appeals has been excellent with a 91% success rate in the current year. However, the nature of the revocation and appeals process means there is an inherent risk that decisions could adversely impact on the Authority.

The security of assets and information has been given greater focus over recent years. Cabinet Office guidance has been implemented under the leadership of the Chief Operating Officer.

### **Review of Effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the Authority who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised by the Board on the effectiveness of my review of the system of internal control, the ARC and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The ARC, on behalf of the Authority's Board, has been diligent in reviewing the effectiveness of the system of internal control. Our external auditors have, to date, issued management letters which, quite rightly, identify areas of concern and all such issues have been addressed quickly and in detail.

The internal auditors are currently undertaking the audit for the second year of a three year programme. We continue to address issues raised by internal audit as they arise. During 2009-10, at my request, the internal auditors started to consider operational issues rather than purely accounting processes for example, studies of procedures in the Licensing and Intelligence departments have been undertaken. This programme will continue in 2010-11.

As a result of the comprehensive review of the system of internal control, I conclude that there are no significant control issues where corrective action has not been taken.



**Ian Livsey**  
*Accounting Officer*  
24 June 2010

## **The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament**

I certify that I have audited the financial statements of the Gangmasters Licensing Authority for the year ended 31 March 2010 under the Gangmasters (Licensing) Act 2004. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective Responsibilities of the Accounting Officer and Auditor**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the Audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Gangmasters Licensing Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Gangmasters Licensing Authority and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

### **Opinion on Regularity**

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

### **Opinion on Financial Statements**

In my opinion:

- The financial statements give a true and fair view of the state of the Gangmasters Licensing Authority's affairs as at 31 March 2010 and of its surplus, changes in taxpayers' equity and cash flows for the year then ended; and
- The financial statements have been properly prepared in accordance with the Gangmasters (Licensing) Act 2004 and Secretary of State directions issued thereunder.

## Opinion on Other Matters

In my opinion:

- The part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Gangmasters (Licensing) Act 2004; and
- The information given in the Foreword, Directors' Report and the Management Commentary, included within the Annual Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on Which I Report by Exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- The Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

## Report

I have no observations to make on these financial statements.

*Amyas C E Morse  
Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP*

*30 June 2010*

## Financial Statements

### Net Expenditure Account for the year ended 31 March 2010

	Note	2009-10 £000's	2008-09 Restated £000's
<b>Expenditure</b>			
Staff Costs	3, 5	(2,540)	(2,089)
Travel and Subsistence		(232)	(252)
Information Technology		(226)	(199)
Marketing		(129)	(92)
Consultancy		(9)	(15)
Legal Settlement		-	(600)
Other	4	(989)	(848)
<b>Total expenditure</b>		<b>(4,125)</b>	<b>(4,095)</b>
<b>Income</b>			
Enforcement	8	3,190	2,041
Licence Fees	10	810	950
Application Inspections		461	579
<b>Total income</b>		<b>4,461</b>	<b>3,570</b>
<b>Net Income / (Expenditure)</b>			
Cost of Capital		(21)	(21)
Interest Payable / Receivable	9	-	8
<b>Surplus/(deficit) after cost of capital charge and interest</b>	2	<b>315</b>	<b>(538)</b>

The notes on pages 32 to 47 form an integral part of the accounts.

**Statement of Financial Position as at 31 March 2010**

	Note	2009-10 £000's	2008-09 Restated £000's	2007-08 Restated £000's
<b>Non-current assets:</b>				
Property, plant and equipment	11	372	133	172
Intangible assets	12	1,152	1,170	1,335
<b>Total non-current assets</b>		<b>1,524</b>	<b>1,303</b>	<b>1,507</b>
<b>Current assets:</b>				
Trade and other receivables	13	37	15	19
Cash and cash equivalents	14	641	398	316
<b>Total current assets</b>		<b>678</b>	<b>413</b>	<b>335</b>
<b>Total assets</b>		<b>2,202</b>	<b>1,716</b>	<b>1,842</b>
<b>Current liabilities</b>				
Trade and other payables	15	(1,020)	(1,553)	(892)
<b>Total current liabilities</b>		<b>(1,020)</b>	<b>(1,553)</b>	<b>(892)</b>
<b>Total assets less liabilities</b>		<b>1,182</b>	<b>163</b>	<b>950</b>
<b>Non-current assets plus net current assets</b>				
<b>Non-current liabilities</b>				
Finance lease	15	(317)	(76)	(113)
<b>Total non-current liabilities</b>		<b>(317)</b>	<b>(76)</b>	<b>(113)</b>
<b>Assets less liabilities</b>		<b>865</b>	<b>87</b>	<b>837</b>
<b>Reserves</b>				
General reserve / (deficit)		669	(40)	706
Revaluation reserve		196	127	131
<b>Total reserves</b>	2	<b>865</b>	<b>87</b>	<b>837</b>

Signed on behalf of the Authority



**Ian Livsey**  
Accounting Officer  
24 June 2010

The notes on pages 32 to 47 form an integral part of the accounts.

**Statement of Cash Flows for the year ended 31 March 2010**

		2009-10	2008-09
	Note	£000's	£000's
<b>Cash flows from operating activities:</b>			
Net Income/(Expenditure) after cost of capital and interest		315	(538)
Adjustments for non-cash transactions:			
Adjustments for cost of capital charge		21	21
Depreciation	4	231	219
Adjustment to the Service Concession Arrangement (SCA)	4	(52)	(45)
Loss on disposal of property, plant and equipment		-	25
(Increase)/Decrease in trade and other receivables	13	(22)	4
(Decrease)/Increase in trade and other payables		(516)	723
<i>Less movements in payables relating to items not passing through the Net Expenditure account</i>			
Payments to the Consolidated Fund which are outside the scope of the Authority's activities		(1,151)	(1,665)
<b><i>Net cash inflow from operating activities</i></b>		<b><i>(1,174)</i></b>	<b><i>(1,256)</i></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	11	(5)	-
Purchase of intangible assets	12	(86)	(30)
<b><i>Net cash outflow from investing activities</i></b>		<b><i>(91)</i></b>	<b><i>(30)</i></b>
<b>Cash flows from financing activities</b>			
Capital - Grant-in-aid	7	86	13
Revenue - Grant-in-aid	7	1,422	1,355
<b><i>Total Financing</i></b>		<b><i>1,508</i></b>	<b><i>1,368</i></b>
<b>Net increase in cash and cash equivalents in the period</b>		<b>243</b>	<b>82</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>398</b>	<b>316</b>
<b>Cash and cash equivalents at the end of the period</b>	14	<b>641</b>	<b>398</b>

The notes on pages 32 to 47 form an integral part of the accounts.

**Statement of Changes in Tax Payers' Equity for the year ended 31 March 2010**

	Note	General Reserve £000's	Revaluation Reserve £000's	Total Reserves £000's
<b>Balance at 31 March 2007</b>		<b>936</b>	<b>-</b>	<b>936</b>
Changes in accounting policy		-	-	-
Re-stated at 1 April 2007		936	-	936
<b>Changes in reserves 2007-08</b>				
Non-cash charges – cost of capital		25	-	25
Net gain on revaluation of intangible assets		-	131	131
Surplus for the period		8	-	8
<b>Total recognised Income and Expense for 2007-08</b>		<b>969</b>	<b>131</b>	<b>1,100</b>
Financing		1,307	-	1,307
Payment to consolidated fund		(1,570)	-	(1,570)
<b>Balance at 31 March 2008</b>		<b>706</b>	<b>131</b>	<b>837</b>
<b>Changes in taxpayers' equity for 2008-09</b>				
Non-cash charges – cost of capital		21	-	21
Net gain on revaluation of intangible assets		-	(4)	(4)
Surplus for the period		(538)	-	(538)
<b>Total recognised Income and Expense for 2008-09</b>		<b>189</b>	<b>127</b>	<b>316</b>
Financing		1,368	-	1,368
Payment to Consolidated Fund		(1,597)	-	(1,597)
<b>Balance at 31 March 2009</b>		<b>(40)</b>	<b>127</b>	<b>87</b>
<b>Changes in taxpayers' equity for 2009-10</b>				
Non-cash charges – cost of capital		21	-	21
Net gain on revaluation of intangible assets		-	69	69
Surplus for the period		315	-	315
<b>Total recognised Income and Expense for 2009-10</b>		<b>296</b>	<b>196</b>	<b>492</b>
Financing		1,508	-	1,508
Payment to consolidated fund		(1,135)	-	(1,135)
<b>Balance at 31 March 2010</b>		<b>669</b>	<b>196</b>	<b>865</b>

The notes on pages 32 to 47 form an integral part of the accounts.

## Notes to the Accounts

### 1. Accounting Policies

#### Adoption of new and revised International Financial Reporting Standards

In the current year, the Authority has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 April 2009.

Where the Financial Reporting Manual (FReM) permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the GLA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the GLA for the reportable activity are described below. They have been applied consistently in dealing with items that are considered material to the accounts

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

*International Accounting Standards (IAS) 24 – Related Party Disclosures*

*FReM Chapter 8 – The removal of Cost of Capital Charging from accounts*

These Standards and Interpretations are not expected to have any significant impact on the Authority's Financial Statements, in their periods of initial application.

#### Basis of Accounting

These accounts have been prepared in the form that the Secretary of State has, with approval of HM Treasury directed under Section 23 of the Gangmasters (Licensing) Act 2004 and are in compliance with the Accounts Direction as received from the Authority's sponsoring body, Defra.

The accounts are prepared in accordance with International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context and the Companies Act requirements, the disclosure and accounting requirements contained in HM Treasury's *Fees and Charges Guide* and in the *FReM*, insofar as these are appropriate to the Authority, and are in force for the financial year for which the accounts are prepared. The disclosures required by IFRS 1 concerning the transition from the United Kingdom Generally Agreed Accounting Principles (UK GAAP) to IFRS are given in note 2 on page 35.

The financial statements are prepared under the historical cost convention modified to account for the revaluation of plant, equipment and intangibles.

The financial statements are prepared on the going concern basis.

The Authority also has regard to the Accounting Standards Board's Statement of Principles for Financial Reporting.

## Going Concern

The Net Expenditure Account for the year shows a net expenditure after cost of capital charge and interest of £315,000 and the Statement of Financial Position shows total reserves of £865,000. There is no reason to believe that Defra's future sponsorship and future parliamentary approval will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

## Segmental Reporting

A segment is a distinguishable component of the business that is engaged in providing products or services, which is subject to risks and rewards that are different from other segments, and which are reviewed regularly by senior management. The Authority has two separately identifiable business objectives which are reported under this heading, these being licensing activities and enforcement activities. Under the adoption of IFRS 8 and IAS 14, it has been necessary to add to the existing full cost recovery analysis, and therefore both current and non-current assets are now reported on a segmental basis.

## Grant-in-Aid and Grants

Grant-in-Aid (GIA) utilised for both revenue and capital expenditure is regarded as a finance flow used to support the statutory and other objectives of the Authority and is credited to the income and expenditure reserve in the year to which it relates on a receipts basis.

## Income Recognition

Income has been recognised on an accruals basis with licence fee income scheduled monthly over the annual life cycle according to the date on which the licence was issued.

Income received for both licence fees and application fees are exempt from VAT and are set in accordance with HM Treasury *Fees and Charges Guide*.

## Financial Assets and Liabilities

The Authority classifies its non derivative financial asset as loans and receivables. Financial assets and liabilities are recognised at fair value loans and receivables are then held at amortised cost (the transaction price plus any directly attributable transaction costs).

## Derivative Financial Instruments and Hedging

The Authority does not enter into contracts that use derivative instruments such as interest rate swaps or any other hedging facilities. The Authority seeks to eliminate or minimise its exposure to interest rate and exchange rate risk by not making investments and does not have any contracts denominated in foreign currencies. Trade receivables and payables are not interest bearing and are stated at their amortised cost, which is usually their invoiced amount. Cash at bank and in hand comprises cash in hand and current balances with banks, which are subject to insignificant changes in value. Liquidity risk is managed through the management of GIA funding through Defra.

## Property, Plant and Equipment

Plant and equipment is held at depreciated historic cost which is a representation of fair value. As these assets have a short useful economic life (UEL) and low values, this method represents fair value under IAS 16. The UEL and residual value is assessed on an annual basis in line with the impairment review.

As stated in note 24 on page 47, the Authority is a non-departmental public body (NDPB) of Defra. Defra's IT outsourcing arrangement within IBM falls within the scope of the International Financial Reporting Interpretations Committee (IFRIC) 12 and is disclosed within the accounts as a service concession arrangements. A lease liability has been included to reflect the fair value payments to IBM to lease IT infrastructure assets throughout the duration of the 8 year contract. A matching asset has been raised to reflect the benefit that the Authority will derive from having access to IBM's IT infrastructure assets. This asset is recorded under plant, property and equipment as a 'right of use' asset provided to both Licensing and Enforcement departments.

## Depreciation

Depreciation is provided against both tangible and intangible fixed assets on a straight-line basis at rates calculated to write off the cost over the expected UEL of the asset at the following annual rates:

Information Technology	2-10 Years
Software Licence	2-5 Years
Copyright	1-5 Years
Office Equipment	3-5 Years
Furniture and Fittings	1-5 Years

## Intangible Assets

In line with IAS 38, where an active market comparable price exists, intangible assets are valued at the depreciated replacement cost re-valued by the average earnings index, less accumulated depreciation and impairment. Impairment reviews will be carried out at the balance sheet date on an annual basis.

## Employee Benefits

Under IAS 19 employee benefit costs must be recognised in the period in which it was earned. Therefore, the Authority accrues all untaken leave due at the balance sheet date utilising the measurement method of the average daily rate per department divided by the average number of staff per department for the amount of leave due.

## Pension Costs

The pension arrangements for the Authority are covered by the Superannuation Act 1972 and reflects benefits for members of the Principal Civil Service Pension Scheme (PCSPS). The Act provides for defined pension benefits to be met from the consolidated fund and no liability rests with the Authority.

Past and present employees of the Authority are covered by the provisions of the PCSPS. The Scheme is a defined benefit scheme and liability rests with the scheme and not the Authority. Benefits are paid from the Civil Superannuation Vote to which the Authority makes contributions calculated to cover accruing pension entitlement for staff employed. Statements of account for the Scheme are provided by the Cabinet Office Civil Superannuation Resource Account. The scheme actuary valued the Scheme as at 31 March 2007. See also note 6 on pages 38 and 39.

## Cost of Capital

A notional cost of capital employed during the year is shown on the income and expenditure account, in accordance with the FReM. The cost of capital represents the opportunity cost to the Exchequer of assets used by the Authority and is calculated at HM Treasury's set rate of 3.5% (3.5% 2008-09) on averaged net total assets excluding provisions.

## 2. First-Time Adoption of IFRS

	2008-09 General Fund £000's	2007-08 General Fund £000's
Taxpayer's equity at 31 March under UK GAAP	3	731
Adjustments made for:		
Employee Benefit under IAS 19	(43)	(25)
Revaluation of intangible assets	127	131
<b>Taxpayers' equity at 1 April under IFRS</b>	<b>87</b>	<b>837</b>
Net (Expenditure) / Surplus under UK GAAP	(520)	33
Adjustments made for:		
Employee Benefit under IAS 19	(18)	(25)
<b>Net (Expenditure) / Surplus under IFRS</b>	<b>(538)</b>	<b>8</b>

### 3. Analysis of Net Expenditure by Segment

In line with HM Treasury's Fees and Charges Guide 1992, the Authority is required to operate on a full cost recovery basis. The financial objective set for the Authority is that full cost recovery will be achieved on a year on year basis.

Note, this information is provided for fees and charges purposes.

	2009-10 £000's	2009-10 £000's	2009-10 £000's	2008-09 £000's	2008-09 £000's	2008-09 £000's
	Licensing	Enforcement	Total	Licensing	Enforcement	Total
<b>Gross Expenditure</b>	<b>(1,301)</b>	<b>(2,824)</b>	<b>(4,125)</b>	<b>(1,487)</b>	<b>(2,608)</b>	<b>(4,095)</b>
<b>Income</b>	<b>1,271</b>	<b>3,190</b>	<b>4,461</b>	<b>1,529</b>	<b>2,041</b>	<b>3,570</b>
<b>Net (Expenditure) / Income</b>	<b>(30)</b>	<b>366</b>	<b>336</b>	<b>42</b>	<b>(567)</b>	<b>(525)</b>
Cost of capital	(21)	-	(21)	(21)	-	(21)
Interest (payable) / receivable	-	-	-	-	8	8
<b>Net (Expenditure) / Income</b>	<b>(51)</b>	<b>366</b>	<b>315</b>	<b>21</b>	<b>(559)</b>	<b>(538)</b>

For the purposes of full costs recovery, expenditure has been analysed by function as well as category as below. All costs are allocated on the basis of management's best estimate of the apportionment of costs between enforcement and licensing activities.

Function	2009-10			2008-09		
	£000's Licensing	£000's Enforcement	£000's Total	£000's Licensing	£000's Enforcement	£000's Total
Staff Costs	587	1,953	2,540	742	1,347	2,089
Travel and Subsistence	51	181	232	79	173	252
Information Technology	127	99	226	83	116	199
Marketing	33	96	129	23	69	92
Consultancy	4	5	9	7	8	15
Legal Settlement	-	-	-	-	600	600
Other	499	490	989	553	295	848
<b>Total</b>	<b>1,301</b>	<b>2,824</b>	<b>4,125</b>	<b>1,487</b>	<b>2,608</b>	<b>4,095</b>

Within the Net Expenditure Account, the full cost of occupation is reflected in relation to buildings that are either owned or leased by Defra or specialised properties held on the Agency's Statement of Financial Position. The costs are proportionate to occupation and include rates, utilities, management overhead, facilities management and associated capital charges.

On 30 June 2009 the Authority resolved an outstanding claim following the revocation of a licence. The full expenditure was included in the Net Expenditure Account for 2008-09 and a compensating payment has been reflected in the Accounts for 2009-10 on receipt of the funds from Defra.

#### 4. Other Expenditure

	2009-10			2008-09		
	Licensing	Enforcement	Total	Licensing	Enforcement	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Depreciation	121	110	231	104	115	219
Adjustment to the SCA	(18)	(34)	(52)	(16)	(29)	(45)
Legal costs – Appeals	150	-	150	208	-	208
Application inspection costs	-	3	3	25	-	25
Recruitment	29	62	91	2	8	10
Rent	32	32	64	25	24	49
Training	54	65	119	31	21	52
Auditors remunerations - External	16	15	31	16	14	30
- Internal	5	5	10	10	8	18
Telephone	14	72	86	38	48	86
Interpreters	1	17	18	17	15	32
Stationery/Postage	16	16	32	15	7	22
Board Expenses	5	5	10	5	5	10
Measuring Outcomes Survey	-	-	-	19	19	38
Other	74	122	196	54	40	94
<b>Total</b>	<b>499</b>	<b>490</b>	<b>989</b>	<b>553</b>	<b>295</b>	<b>848</b>

The remuneration to the National Audit Office (NAO) in respect of external audit work carried out was £28,000 (£27,000 2008-09). In addition, £3,000 was paid to the NAO in respect of audit work supporting the transition to IFRS (£3,000 2008-09).

**5. Staff Costs**

	2009-10 £000's			2008-09 £000's		
	Licensing	Enforcement	Total	Licensing	Enforcement	Total
Staff salaries including performance related pay	466	1,548	2,014	572	1,059	1,631
Employee Benefits as per IAS 19	9	32	41	6	12	18
Social security costs	34	114	148	48	75	123
Pension service costs (Note 6)	78	259	337	116	201	317
<b>Total</b>	<b>587</b>	<b>1,953</b>	<b>2,540</b>	<b>742</b>	<b>1,347</b>	<b>2,089</b>

All costs are allocated on the basis of management's best estimate of the apportionment of costs between enforcement and licensing.

The Chairman, Paul Whitehouse, received total remuneration of £30,000 (£30,000 2008-09). Full details of the senior staff costs are provided within the Remuneration Report on pages 17 to 20

Temporary administration staff at a cost of £51,000 (£4,000 2008-09) are included within the licensing staff costs, and £1,000 (£1,000 2008-09) are included within the enforcement staff costs. However, this did not increase the average number employed.

24 employees were employed on a short term basis for 2009-10 (1 employee 2008-09).

A total of £84,000 (£64,000 2008-09) was paid for performance related pay during the year, £48,000 (£39,000 2008-09) for licensing staff and £36,000 for enforcement staff (£25,000 2008-09).

Average number of employees	2009-10	2008-09
Licensing	33	29
Enforcement	31	26
Community Enforcement	4	-
<b>Total</b>	<b>68</b>	<b>55</b>

**6. Pension Costs**

The PCSPS is an unfunded multi-employer defined benefit scheme but the Authority is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details of the latest actuarial valuation can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

To 31 March 2010, employer's contributions of £337,000 were payable to the PCSPS (£310,000 2008-09) at one of four rates in the range of 16.7 to 24.3 percent of pensionable pay (as per the rates in 2008-09), based on revalorised salary bands on the advice of the scheme actuary.

The contribution rates are set to meet the cost of the benefits accruing during 2008-09 to be paid when the member retires, and not the benefits during this period to existing pensioners.

Employees can opt to open a partnership pension account or a stakeholder pension with an employer contribution. Employer's contributions of £9,000 (£7,000 2008-09) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer's contributions are age-related and range from 3 to 12.5 percent of pensionable pay. Employers also match employee contributions up to 3 percent of pensionable pay. In addition, employer contributions of £680 (£480 2008-09), 0.8 percent of pensionable pay, were payable to the PCSPS in order to cover the cost of future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £1,200 (nil 2008-09). Contributions prepaid at that date were nil (nil 2008-09).

<b>7. Financing</b>	<b>2009-10</b>	<b>2008-09</b>
	<b>£000's</b>	<b>£000's</b>
Capital – Grant-in-Aid	86	13
Revenue – Grant-in-Aid	1,422	1,355
<b>Total</b>	<b>1,508</b>	<b>1,368</b>

<b>8. Enforcement Income</b>	<b>2009-10</b>	<b>2008-09</b>
	<b>£000's</b>	<b>£000's</b>
Enforcement Income for operating activities within Great Britain	3,090	1,941
Additional Grant-in-Aid funding from Defra for Regional Food activity	100	100
<b>Total</b>	<b>3,190</b>	<b>2,041</b>

The Authority has a SLA with Defra in order to provide enforcement services within Great Britain. This income is applied for and received on a monthly basis.

The Authority has also issued invoices to the Department of Agriculture and Rural Development (DARDNI) for enforcement activities carried out within Northern Ireland.

<b>9. Bank Interest</b>	<b>2009-10</b>	<b>2008-09</b>
	<b>£000's</b>	<b>£000's</b>
Bank Interest	-	8
<b>Total</b>	<b>-</b>	<b>8</b>

The Authority pays all income received from bank interest into the Consolidated Fund as an Extra Receipt via Defra.

**10. Licence Fees**

Annual Turnover	Fee Band	Annual Licence Fee		Application Inspection Fee		Renewal Fee	
		2009-10 £000's	2008-09 £000's	2009-10 £000's	2008-09 £000's	2009-10 £000's	2008-09 £000's
£10m+	A	5.5	12.9	2.9	2.9	2.6	10.0
£5-10m	B	4.4	7.4	2.4	2.4	2.0	5.0
£1-5m	C	3.4	4.1	2.2	2.2	1.2	1.9
<£1m	D	2.3	2.3	1.9	1.9	0.4	0.4

Under the Gangmasters (Licensing) Act 2004, the Authority is required to establish a UK whole licensing scheme and create a register for gangmasters who are operating in agriculture, horticulture and shellfish gathering and associated processing and packaging industries. Exclusions to this are set out in the Gangmasters (Exclusions) Regulations 2006.

The number of licences issued was as follows:

As at 31 March 2010	Licences Issued	Licence Applications Cancelled	Licence Applications Refused	Total	Recognised £000's
Horticulture, Agriculture and Forestry	1,493	82	36	1,611	810
Shellfish	2	6	-	8	-
<b>Total</b>	<b>1,495</b>	<b>88</b>	<b>36</b>	<b>1,619</b>	<b>810</b>

As at 31 March 2009	Licences Issued	Licence Applications Cancelled	Licence Applications Refused	Total	Recognised £000's
Horticulture, Agriculture and Forestry	1,398	179	18	1,595	950
Shellfish	2	4	-	6	-
<b>Total</b>	<b>1,400</b>	<b>183</b>	<b>18</b>	<b>1,601</b>	<b>950</b>

## 11. Property, Plant and Equipment

	Information Technology			Furniture and Fittings			Authority
	Licensing £000's	Enforcement £000's	Total £000's	Licensing £000's	Enforcement £000's	Total £000's	Total £000's
<b>At 1 April 2008</b>	<b>1,399</b>	<b>101</b>	<b>1,500</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>1,503</b>
Adjustment to the SCA	55	103	158	-	-	-	158
Reclassification	(1,380)	(92)	(1,472)	-	-	-	(1,472)
<b>Restated at 1 April 2008</b>	<b>74</b>	<b>112</b>	<b>186</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>189</b>
Adjustment to the SCA	5	9	14	-	-	-	14
<b>At 31 March 2009</b>	<b>79</b>	<b>121</b>	<b>200</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>203</b>
Additions	5	-	5	-	-	-	5
Adjustment to the SCA	2	4	6	-	-	-	6
Extension to the SCA	100	186	286	-	-	-	286
Disposals	(1)	(9)	(10)	-	-	-	(10)
<b>At 31 March 2010</b>	<b>185</b>	<b>302</b>	<b>487</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>490</b>
<b>Depreciation</b>							
<b>At 1 April 2008</b>	<b>247</b>	<b>37</b>	<b>284</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>286</b>
Reclassification	(236)	(33)	(269)	-	-	-	(269)
<b>Restated at 1 April 2008</b>	<b>11</b>	<b>4</b>	<b>15</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>17</b>
Charge for the period	20	32	52	1	-	1	53
Disposals	-	-	-	-	-	-	-
<b>At 31 March 2009</b>	<b>31</b>	<b>36</b>	<b>67</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>70</b>
Charge for the period	22	36	58	-	-	-	58
Disposals	(1)	(9)	(10)	-	-	-	(10)
<b>At 31 March 2010</b>	<b>52</b>	<b>63</b>	<b>115</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>118</b>
<b>Net book value:</b>							
<b>At 31 March 2010</b>	<b>133</b>	<b>239</b>	<b>372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>372</b>
<b>Re-stated at 31 March 2009</b>	<b>48</b>	<b>85</b>	<b>133</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>133</b>
<b>Re-stated at 1 April 2008</b>	<b>63</b>	<b>108</b>	<b>171</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>172</b>
<b>Asset Financing</b>							
<b>Owned:</b>							
Net Book Value as at 31 March 2010	5	1	6	-	-	-	6
Net Book Value as at 31 March 2009	4	2	6	-	-	-	6
Net Book Value as at 1 April 2008	8	5	13	1	-	1	14
<b>Leased:</b>							
Net Book Value as at 31 March 2010	128	238	366	-	-	-	366
Net Book Value as at 31 March 2009	44	83	127	-	-	-	127
Net Book Value as at 1 April 2009	55	103	158	-	-	-	158

Defra has entered into a contract with IBM for the provision of IT services and infrastructure assets. This contract was renewed on 1 February 2010. This contract aims to support the Defra network by providing a modernised IT infrastructure, in line with wider government strategy, which enables access to cost effective IT services and infrastructure.

The contract prices are subject to annual incremental increases, applied from 1 April. This increase is based on the consumer price index as at the end of January in the previous year.

All SCA's are classed as one tangible IT service concession asset.

The contract is for a term of eight years from February 2010. The contract prices are subject to an annual increment increase, applied from 1 April each financial year. This increase is based on the consumer price index as at the end of January in the previous financial year. There are no beneficial entitlements at the end of the contract, although Defra has the option to purchase specified assets at net book value on exiting the contract.

During the term of the contract, Defra has the right to use assets owned by IBM, and IBM are obliged to provide the IT assets for use at a level dictated by performance obligations placed on IBM, and underlying IT product developments commissioned by Defra. Defra has an obligation to spend a specified amount of money each year on undertaking IT projects, which is currently set at approximately one third of the amount Defra spends on IT projects annually.

Any changes to the contract are negotiated and introduced via an approved contract change note (CCN). As the contract was only subject to approval on 1 February 2010 there have been no subsequent amendments to the contract during the remainder of the 2009-10 financial year.

There is flexibility in terms of termination providing the option to end the service or key aspects thereof. The financial penalty for this clause is on a sliding scale depending on several factors, including time left on the contract.

In accordance with IFRIC 12 and as a NDPB of Defra, the Authority has recognised an asset at the date of transition to IFRS reporting, to reflect the benefit that it will derive from having access to IBM's IT infrastructure assets.

	Licensing £000's	Enforcement £000's	Total £000's
<b>12. Intangible Assets</b>			
<b>At 1 April 2008</b>	<b>12</b>	<b>-</b>	<b>12</b>
Reclassification	1,380	92	1,472
Revaluation	147	14	161
<b>Re-stated at 1 April 2008</b>	<b>1,539</b>	<b>106</b>	<b>1,645</b>
Additions	30	-	30
Assets Written Off	-	(42)	(42)
Revaluation	25	(6)	19
<b>At 31 March 2009</b>	<b>1,594</b>	<b>58</b>	<b>1,652</b>
Additions	86	-	86
Revaluation	137	5	142
<b>At 31 March 2010</b>	<b>1,817</b>	<b>63</b>	<b>1,880</b>
<b>Depreciation</b>			
<b>At 1 April 2008</b>	<b>11</b>	<b>-</b>	<b>11</b>
Reclassification	236	33	269
Revaluation	25	5	30
<b>Re-stated at 1 April 2008</b>	<b>272</b>	<b>38</b>	<b>310</b>
Charge for the period	149	17	166
Assets Written Off	-	(17)	(17)
Revaluation	23	-	23
<b>At 31 March 2009</b>	<b>444</b>	<b>38</b>	<b>482</b>
Charge for the period	160	13	173
Revaluation	67	6	73
<b>At 31 March 2010</b>	<b>671</b>	<b>57</b>	<b>728</b>
<b>Net book value:</b>			
<b>At 31 March 2010</b>	<b>1,146</b>	<b>6</b>	<b>1,152</b>
Restated at 31 March 2009	1,150	20	1,170
Re-stated at 1 April 2008	1,267	68	1,335

During 2008-09 intangible assets with net book value of £25,000 were written off to reflect the fair value of assets carried forward. There were no such adjustments made in 2009-10.

	2009-10	2008-09	2007-08
	£000's	£000's	£000's
<b>13. Trade and Other Receivables</b>			
<b>Other receivables:</b>			
Prepayments and accrued income	37	15	19
<b>Total</b>	<b>37</b>	<b>15</b>	<b>19</b>

	2009-10	2008-09	2007-08
	£000's	£000's	£000's
<b>14. Cash and Cash Equivalents</b>			
Balance at 1 April	398	316	369
Net change in cash and cash equivalent balances	243	82	(53)
<b>Balance at 31 March</b>	<b>641</b>	<b>398</b>	<b>316</b>
The following balances at 31 March were held at:			
Commercial banks and cash in hand	641	398	316
<b>Balance at 31 March</b>	<b>641</b>	<b>398</b>	<b>316</b>

	2009-10	2008-09	2007-08
	£000's	£000's	£000's
<b>15. Trade Payables and Other Payables</b>			
<b>Amounts falling due within one year</b>			
VAT	85	85	85
Other taxation and social security	66	42	39
Trade payables	117	25	38
Accruals and deferred income	703	1,350	685
Finance Lease	49	51	45
<b>Total</b>	<b>1,020</b>	<b>1,553</b>	<b>892</b>
<b>Amounts falling after more than one year</b>			
Finance Lease	317	76	113
<b>Total</b>	<b>317</b>	<b>76</b>	<b>113</b>

Included in amounts falling due within one year is a total amount of £81,600 (£57,900 2008-09) which relates to balances with OGDs which fall within the whole of government accounting (WGA) boundaries.

Also included within finance leases is the future liability to pay for the "Right of Use" assets to IBM. The current liability is £49,000 (£51,000 2008-09); the non current liability is £317,000 (£76,000 2008-09)

£85,000 relates to VAT which was reclaimed during the period of 2005 to 2007 along with management's best estimate of the liability due. This liability is associated with the HMRC's decision to de-register the Authority under the provisions of VAT legislation.

## 16. Capital Commitments

The Authority had no capital commitments as at 31 March 2010 (nil 2008-09).

17. Obligation under Service Concession Arrangement	2009-10	2008-09	2007-08
	£000's	£000's	£000's
Rentals due within 1 year	49	51	45
Rentals due within 2-5 years	195	76	113
Rentals due hereafter	122	-	-
<b>Total</b>	<b>366</b>	<b>127</b>	<b>158</b>

18. Commitments under Leases	2009-10	2008-09	2007-08
	£000's	£000's	£000's
<b>Buildings:</b>			
Not later than one year	15	17	-
Later than one year and not later than five year	30	-	127
Later than five year	-	-	-
<b>Total</b>	<b>45</b>	<b>17</b>	<b>127</b>

Building lease commitments relate to facilities management changes associated with the proportion of occupation of buildings that are either owned or leased by Defra or specialised properties held on the Agency's Statement of Financial Position.

## 19. Other Financial Commitments

The Authority has entered into contracts which are not leases, for the provision of mobile phones and 3G cards as well as a SLA for the provision of pension administration services. The payment to which the Authority is committed during 2009-10, analysed by the period during which the commitment expires is as follows:

	2009-10	2008-09	2007-08
	£000's	£000's	£000's
Not later than one year	42	7	-
Later than one year and not later than five years	62	409	32
Later than five years	676	-	-
<b>Total</b>	<b>780</b>	<b>416</b>	<b>32</b>

The Authority also holds contracts for the following provisions, however these can be cancelled with provision of notice:

- Secure mobile transmission
- Online travel and subsistence claim and recording system
- Office maintenance

Included within "other financial commitments under SCA" is the remainder of the payments to IBM that do not relate to the right of use assets.

## **20. Losses and Special Payments**

Managing Public Finances requires disclosure of losses and special payments by category type and value where they exceed £250,000 in total and for any individual items above £250,000. During the year 1 April 2009 – 31 March 2010 the Authority incurred no losses or special payments (£600,000 2008-09). See note 3 on page 36.

## **21. Financial Instruments**

The majority of financial instruments relate to contracts to buy non-financial items in line with the Authority's expected purchase and usage requirements and the Authority is therefore exposed to little credit, liquidity or market risk.

IFRS 7 require disclosure of the role which financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. As the cash requirements of the Authority are met by Grant-in-Aid provided by Defra, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. In addition, financial assets and liabilities generated by day-to-day operational activities are not held in order to change the risks facing the Authority in undertaking its activities.

The Authority relies upon Defra for its cash requirements, having no power itself to borrow or invest surplus funds and the Authority's main financial assets and liabilities have either a nil or a fixed rate of interest related to the cost of capital (currently 3.5 percent). The short term liquidity and interest rate risks are therefore slight and there is no foreign currency risk as all income and expenditure, and material assets and liabilities, are denominated in sterling.

The Authority is exposed to credit risk only to a limited extent, as payments from third parties in respect of licence applications are generally received in advance. As permitted by accounting standards, receivables and payables which mature or become payable within 12 months from the Statement of Financial Position date have been omitted from this disclosure note.

## **22. Events after the Reporting Date**

There are no events after the reporting date.

The Authority's financial statements are laid before the Houses of Parliament by the Parliamentary Clerk for Defra. The authorised date for issue is 30 June 2010. The authorising officer is the Accounting Officer, Ian Livsey.

## **23. Contingent Liabilities**

There are no contingent liabilities.

## 24. Related Party Transactions

Body	Relationship	2009-10	2008-09
		£000's	£000's
Defra	Sponsoring body	4,583	3,309
The Cabinet Office	Manager of PCSPS	337	310
Land Registry	Landlord	64	49
DARDNI	Sponsoring body associate	100	100
Ministry of Defence	Authorised pensions administration centre via People, Pay and Pensions Agency	2	3
National College for School Leadership	Conference venue	-	1

The Authority is a NDPB of Defra and Defra is regarded as a related party. During the year grant in aid has been received from Defra as disclosed in Note 7 on page 39 along with income for enforcement activities as disclosed in Note 8 on page 39.

During the year, no Minister, senior manager or other related party has undertaken any material transactions with either the Authority, Defra or any OGDs.

The amounts due (to)/from the related party at the end of the year was as follows:

Body	Relationship	2009-10	2008-09
		£000's	£000's
Defra	Sponsoring body	-	-
The Cabinet Office	Manager of PCSPS	-	-
Land Registry	Landlord	(15)	(15)
DARDNI	Sponsoring body associate	25	(17)
Ministry of Defence	Authorised pensions administration centre via People, Pay and Pensions Agency	-	-
National College for School Leadership	Conference venue	-	-

## Remuneration of Key Management Personnel

The remuneration of the key management personnel is set out below in aggregate for each of the categories specified in IAS 24 Related Party Transaction.

	2009-10	2008-09
	£000's	£000's
Remuneration	327	308
<b>Total</b>	<b>327</b>	<b>308</b>

## Glossary

ARC	Audit and Risk Committee
CCN	Contract Change Note
CPI	Composite Performance Index
CETV	Cash Equivalent Transfer Value
DARDNI	Department for Agriculture and Rural Development
DCLG	Department of Communities and Local Government
Defra	Department For Environment, Food and Rural Affairs
EASI	Employment Agency Standards Inspectorate
EMB	Executive Management Board
FReM	Financial Reporting Manual
GIA	Grant in Aid
GLA	Gangmasters Licensing Authority
HMRC	Her Majesty's Revenue and Customs
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
IiP	Investors in People
NAO	National Audit Office
NDPB	Non-Departmental Government Body
OGDs	Other Government Departments
PCS	Public and Commercial Services Union
PCSPS	Principal Civil Service Pension Scheme
PQs	Parliamentary Questions
PRP	Performance Related Pay
RPI	Retail Price Index
SCA	Service Concession Arrangement
SLA	Service Level Agreement
SMT	Senior Management Team
SOCA	Serious Organised Crime Agency
UEL	Useful Economic Life
UKBA	United Kingdom Border Agency
UK GAAP	United Kingdom Generally Accepted Accounting Principles
WGA	Whole of Government Accounting



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