



Registrar of Consultant Lobbyists Statement of Accounts 2015-16

The Registrar of Consultant Lobbyists

Statement of Accounts 2015-16

(For the year ended 31 March 2016)

*Accounts presented to Parliament
pursuant to Schedule 2 (9) of the Transparency of
Lobbying, Non-Party Campaigning and Trade Union
Administration Act 2014*

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PERFORMANCE REPORT

Introduction

My role as Registrar is set out in the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 (“the Act”). I am an independent statutory office holder, established to keep and publish the Register of Consultant Lobbyists, in which those who lobby on behalf of a third party will be required to declare the names of their clients and whether or not they subscribe to a relevant code of conduct.

I have a duty to monitor compliance with the requirement to register and a power to undertake enforcement action in instances of non-compliance. I have already and will continue where appropriate, to develop and publish guidance for consultant lobbyists under the relevant provisions of the Act.

This is my second annual statement of accounts and covers the year from 1 April 2015 to 31 March 2016.

My objectives

Following the establishment of the Register in March 2015, I have set out to ensure that statutory requirements for registration are being complied with. In addition to issuing new guidance and a positive programme of stakeholder engagement, I have used my powers of enforcement to ensure that those who should register, properly do so.

In line with my statutory obligations, in 2015-16 I set my Office (ORCL) the following objectives:

- Administer an accessible, up-to-date and accurate Register of Consultant Lobbyists;
- Ensure that all those who are required to register do so, by making potential registrants aware of their obligations under the Act and the process involved in registration;
- Ensure the registration process provides a service to registrants that is clear and accessible;
- Monitor and enforce compliance with the Act’s legal requirements; and
- Operate the Register and the Office in a cost effective manner that demonstrates value for money.

Performance in 2015-16

The focus in 2015-16 has been on continuous engagement with registrants and potential registrants, building their knowledge about the requirements of the Act and supporting them to comply with it. Key activities included:

- Issuing updated guidance about registration, and new guidance about compliance;
- Issuing new policy about information publication and retention;
- Stakeholder engagement, including a major stakeholder event and multiple meetings and conferences;
- Technical improvements to the Register;
- A programme of compliance work including engagement with individual registrants, potential registrants and specialist sectors, such as Think Tanks.

My approach has been to consult stakeholders prior to issuing new guidance in a variety of ways. I held a consultation, and subsequently issued guidance, on how I intended to approach issues of non-compliance. I also refreshed the guidance on the requirements for registration to take into account answers to the many queries received by the Office since the Register was established. I issued specialist advice for Think Tanks, having engaged directly with many about their work. I also consulted on and created new policy on information publication and retention.

At the request of stakeholders, I have also presented at a number of events and in January 2016 ORCL held its first cross-sector consultant lobbying event, bringing together representatives from the lobbying sector and others alongside the Minister for Constitutional Reform. In addition to events, my stakeholder engagement over the year has included a high volume of bi-lateral meetings with registrants and potential registrants with the intention of supporting compliance.

Over the last year, the Register has been developed technically to improve its standard of robustness and searchability, commensurate with the requirements of the legislation. The Office has worked hard to ensure that registration data in the Register is accurate and that first registration and quarterly update information is processed accurately and on time. This has required a significant level of information verification and registrant engagement, ensuring that the information contained in the Register is accurate and can be relied on.

To preserve my independence, I launched my new independent website, moving away from GOV.UK onto a new platform.

The work I have done on compliance has been very significant, driving up the number of registrations to 116 on 31 March 2016, which included a number of non-traditional consultant lobbyists, consistent with the requirements of the Act. In addition, I identified instances of non-compliance which were dealt with in accordance with my guidance. I issued my first civil penalty notice during the year, which was uncontested.

Financial position

During the financial year 2015-16, I returned £15,000 of my approved gross expenditure budget (£320,000, reduced to £305,000), and then spent £295,217, resulting in an under-spend of £9,783, due to efficiencies in a number of areas. These efficiencies include using off-the-shelf software to create the Register, which is easily amendable; creating guidance in-house, without the use of consultants and utilising Government assets, such as meeting space.

Future look

My approach continues to be one of positive engagement, education and encouragement to register. It is important to the credibility of the Register and the trust the users are able to place in the information it contains, that compliance is assured. I have a range of civil and criminal powers which I can call upon if I identify situations of non-compliance. In order to deliver this, I have set for my Office a challenging, yet achievable, business plan for 2016-17, which was published on 30 March 2016, and which particularly focuses on ensuring compliance through a robust programme of activity.

Events after the reporting period

These are set out at note 9 to the accounts.



Alison J White

Registrar of Consultant Lobbyists and Accounting Officer

14 July 2016

ACCOUNTABILITY REPORT

Governance Report

Statement of Accounting Officer's Responsibilities

Under the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014, the Cabinet Office has directed the Registrar of Consultant Lobbyists 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 Registrar of Consultant Lobbyists and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows 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 Cabinet Office, 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.

The Cabinet Office has appointed the Registrar of Consultant Lobbyists as the Accounting Officer. 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 assets, are set out in *Managing Public Money*, published by HM Treasury.

Statement on the Disclosure of Relevant Audit Information

The Registrar of Consultant Lobbyists' Statement of Accounts has been prepared on a statutory basis, in accordance with the requirements of HM Treasury and is designed to comply with the Accounts Direction issued by the Cabinet Office, with reference to the Act.

The financial statements are audited by the Comptroller and Auditor General, who is appointed under statute and reports to Parliament on the audit examination. Auditor's remuneration and expenses are disclosed at Note 2 to the Accounts. During the reporting year, no payment was made to the auditors for non-audit work.

I hereby confirm that so far as I am aware, there is no relevant audit information of which the auditors are unaware and that I have taken all reasonable steps to ensure that I am aware of any relevant audit information and to establish that the auditors are aware of that information. I also confirm that the Statement of Accounts as a whole is fair, balanced and understandable and that I take personal responsibility for it and the judgements required for determining that it is fair, balanced and understandable.

Governance Statement

Introduction

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

The Office of the Registrar of Consultant Lobbyists exists only to implement the provisions in the Act, as a corporation sole. I am independent of both consultant lobbyists and Government, and report directly to Parliament. The Office of the Registrar of Consultant Lobbyists has been designated for consolidation into the Cabinet Office Estimate and accounts. The regime of corporate governance needs to be proportionate to the size and risk profile of the organisation. There is no requirement in the Act for a Board of Directors or a separate Audit Committee.

I have had on-going dialogue with the National Audit Office, and the Cabinet Office Audit Committee to ensure proportionate governance arrangements are in place. To ensure a robust financial control regime, my Office manages my financial arrangements in accordance with the Cabinet Office's best practice, systems and resources.

Risk Management

I have established a proportionate regime for the management of risk. My primary focus continues to be to operate and maintain the Register, resolve on-going compliance enquiries, and collect monies due, and to raise awareness with non-traditional lobbyists and support them to register. There is no evidence of risk that the Register is not complete or that all appropriate revenues are not being collected. The risk environment remains neutral to benign, but I continue to carefully review risks and identify appropriate mitigation on a quarterly basis.

During the past year, the risks to independence that I previously identified have been largely resolved by the creation of a new website on an independent platform, and the recognition by the Cabinet Office that once budgets have been approved by ministers, I am financially independent.

In the year ahead, I have been advised that ministers are minded to consider further both the quantum and collection methodology of fees charged for the Register. In the event that subsequent changes are significant, there will be an enhanced level of risk to operations as a result.

Information Security

During the past year, there have been no reportable breaches of information security. To ensure the integrity of information in the Register, presentation is made in accordance with my policy on publication of information.

Review of Effectiveness

I follow the Cabinet Office's guidelines and procedures for internal control. During the past year, there have been no instances of fraud or irregularity.

Public Interest

The Office of the Registrar of Consultant Lobbyists maintains a register of my interests. Copies of the register are available on my website¹.

¹ <http://registrarofconsultantlobbyists.org.uk/about-us/the-registrar>



Alison J White

Registrar of Consultant Lobbyists and Accounting Officer

14 July 2016

Remuneration and Staff Report

This section is subject to audit.

Staff numbers and related costs

Staff costs comprise:

£	Registrar	Others	2015-16 Total	2014-15 ¹ Total
Fees	26,900	-	26,900	20,492
Expenses	1,470	-	1,470	769
Inward Secondments	-	90,069	90,069	55,650
Agency/Temporary	-	-	-	30,633
Total	28,370	90,069	118,439	107,544

¹ Prior period from 23 May 2014 to 31 March 2015

The Cabinet Office Annual Report and Accounts 2015-16 (HC 320) discloses fair pay at Note 1.9 'Pay Multiples' on page 42.

	2015-16	2014-15
Registrar	0.3	0.5
Others	1.9	1.5
Total	2.2	2.0

Average number of persons employed

The Registrar is a part-time appointment and is expected to commit to around 30-50 days per year. The Registrar is paid a daily rate of £420 and worked 57.5 days and was paid for 58.5 days during the financial year. In 2014-15 the Registrar worked 45 days and was paid for 44 days. The appointment is taxable under Schedule E and subject to Class I National Insurance contributions and does not receive a pension.

'Others' relates to three inward secondees from the Cabinet Office, which equate to the equivalent of 1.9 full time members of staff (2014-15: 1.5).

Parliamentary Accountability and Audit Report

Parliamentary Accountability Disclosures

This section is subject to audit

1. Analysis of cash surrenderable to the Consolidated Fund

£	Note	2015-16 Outturn		2014-15 Outturn	
		Income	Receipts	Income	Receipts
Registration fees from consultant lobbyists	3, 7	80,093	157,772	2,463	10,036
Civil penalty from consultant lobbyist	7	-	2,000	-	-
Total amount payable to the Consolidated Fund	3, 7	80,093	159,772	2,463	10,036

In accordance with part 1 section 22 (5) of the Act, the Registrar must pay into the Consolidated Fund any sums received in respect of charges.

The cash received by the Registrar from the charge for registration is paid to HM Treasury's Consolidated Fund. The Registrar has no separate bank account and banking arrangements are provided by the Cabinet Office which collects fees from registrants and in due course will surrender cash receipts to the Consolidated Fund; see Note 7. Although this income is payable to HM Treasury's Consolidated Fund, the Chief Secretary to the Treasury has agreed to a netting off arrangement whereby the Registrar may retain the income and offset it against expenditure for budget and outturn purposes.

On the 19 December 2015, a Civil Penalty Notice in the sum of £2,000 was issued to Advocate Policy and Public Affairs Consulting Ltd as a result of lobbying during the pre-registration quarter. On the 24 December 2015, the registrant accepted liability and paid the fine before 31 March 2016. The netting off arrangement described above does not apply to civil penalties charged upon consultant lobbyists. The Office of the Registrar of Consultant Lobbyists is acting as a collecting agent for this fine on behalf of HM Treasury's Consolidated Fund.

2. Regularity of Expenditure - Losses and Special Payments

There are no losses nor special payments to disclose.

3. Fees and Charges

£		Full Cost Recovery	Cost borne by Cabinet Office	2015-16 Total	2014-15 Total	
	Note					
	Registrar's fees and expenses	28,370	-	28,370	21,261	
	Inward secondments	-	90,069	90,069	55,650	
	Costs of providing the Register	60,086	-	60,086	134,005	
	Establishment of right of appeal ¹	2	34,371	-	34,371	-
	Notional corporate services recharge	-	47,764	47,764	31,842	
	Other expenditure	9,812	24,745	34,557	21,578	
	Full cost of service	2	132,639	162,578	295,217	264,338
	Less: Registration fees from Consultant Lobbyists	3	(80,093)	-	(80,093)	(2,463)
	Net expenditure for the year (SOCNE)		52,546	162,578	215,124	261,875
	Less: Notional corporate services recharge		-	(47,764)	(47,764)	(31,843)
	Net Resource Outturn		52,546	114,814	167,360	230,032

¹Establishment of right to appeal to General Regulatory Chamber: see Note 2 to the accounts.

The information is provided for fees and charges purposes, not for the purposes of *IFRS 8 Operating Segments*. It represents costs included in the Statement of Comprehensive Net Expenditure (SOCNE). The financial requirement of the Registrar of Consultant Lobbyists is to ensure that registration charges are collected from registrants, in accordance with the Cabinet Office's regulations.

Full Cost Recovery

In accordance with section 22 of the Act, the Minister must seek to recoup the costs of implementing and operating the Register from the registration charges for using the Register. The net deficit of £52,546 (2014-15: £159,885) represents costs, cumulatively worth £212,431 which will be recovered over the initial years as part of the fee charged to consultant lobbyists.

Cost borne by Cabinet Office

In accordance with schedule 2, section 8 (1) of the Act, the Registrar may make arrangements with the Minister or other persons:

- for staff to be seconded to the Registrar;
- for accommodation or services to be provided to the Registrar.

The Minister has decided not to recover these costs by means of making a charge upon the consultant lobbyists, and consequently, the Cabinet Office bears these costs in addition to any net deficit from full cost recovery; see Note 1.3 Going Concern.

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 Registrar of Consultant Lobbyists for the year ended 31 March 2016 under the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, 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 and Staff Report and the Parliamentary Accountability Disclosures 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, certify and report on the financial statements in accordance with the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014. I conducted my audit in accordance with 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 Registrar of Consultant Lobbyists' circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Registrar of Consultant Lobbyists; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Statement of Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate and report.

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

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements 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 Registrar of Consultant Lobbyists' affairs as at 31 March 2016 and of net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Parliamentary Accountability disclosures to be audited have been properly prepared in accordance with Secretary of State directions made under the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014; and
- the information given in the Performance Report and Accountability 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 returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration and Staff Report and the Parliamentary Accountability disclosures to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

FINANCIAL STATEMENTS

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2016

This account summarises the expenditure and income generated and consumed on an accruals basis.

£		2015-16	2014-15 ¹
	Note		
Total income	3	(80,093)	(2,463)
Staff costs	2	118,439	107,544
Purchase of goods and services	2	129,014	124,953
Notional corporate service recharge	2	47,764	31,843
Total operating expenditure	2	295,217	264,340
Net operating expenditure for the year		215,124	261,877

¹Prior period from 23 May 2014 to 31 March 2015

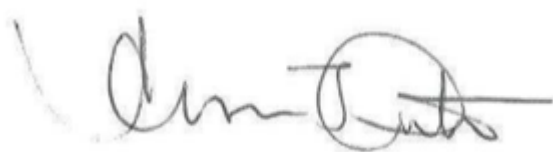
Notes 1 to 9 form part of these accounts on pages 24 to 30

Statement of Financial Position

as at 31 March 2016

This statement presents the financial position and comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

£		2015-16	2014-15
	Note		
Current assets			
Trade and other receivables	5	4,808	6,389
Cash and cash equivalents	6	160,480	10,156
Total assets		165,288	16,545
Current liabilities			
Trade and other payables	7	(294,735)	(133,064)
Total liabilities		(294,735)	(133,064)
Total assets less liabilities		(129,447)	(116,519)
Taxpayers' equity			
General fund		(129,447)	(116,519)
Total taxpayers' equity		(129,447)	(116,519)



Alison J White

Registrar of Consultant Lobbyists and Accounting Officer

14 July 2016

Notes 1 to 9 form part of these accounts on pages 24 to 30

Statement of Cash Flows

for the year ended 31 March 2016

The Statement of Cash Flows shows the changes in cash and cash equivalents during the reporting period. The statement shows how cash and cash equivalents are generated and used by classifying cash flows as operating and financing activities.

£		2015-16	2014-15
	Note		
Cash flows from operating activities			
Net operating expenditure		(215,124)	(261,877)
Adjustment for non-cash transactions	2	47,764	31,843
Decrease/(Increase) in trade and other receivables	5	1,581	(6,389)
Increase in trade and other payables	7	161,671	133,064
<i>Movement in trade and other payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>			
Amounts payable to Consolidated Fund	7	(147,736)	(10,036)
Net cash outflow from operating activities		(151,844)	(113,395)
Cash flows from financing activities			
Grant-in-Aid from parent department		312,204	123,551
Net financing		312,204	123,551
Net increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		160,360	10,156
Payments of amounts due to the Consolidated Fund		(10,036)	-
Net increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund	6	150,324	10,156
Cash and cash equivalents at the beginning of the period	6	10,156	-
Cash and cash equivalents at the end of the period	6	160,480	10,156

Notes 1 to 9 form part of these accounts on pages 24 to 30

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2016

This statement shows the movement in the year on the general fund reflecting any grant from the Parent Department and extra receipts repayable to the Consolidated Fund. It also reflects comprehensive net expenditure for the year and notional charges.

£		2015-16	2014-15
	Note		
Balance at 1 April		(116,519)	-
Grant from Parent Department		312,204	123,551
Extra Receipts payable to the Consolidated Fund	7	(157,772)	(10,036)
Comprehensive Net Expenditure for the year		(215,124)	(261,877)
Non-cash charges – Notional corporate services recharges	2	47,764	31,843
Balance at 31 March		(129,447)	(116,519)

Negative equity arises from the accounting method for grant-in-aid which is sufficient to cover only cash expenditure and excludes accruals and from expenditure exceeding income. Further explanation is provided at Note 1.3 to the Accounts and in the Fees and Charges Note in the Accountability Report.

Notes to the Accounts for the year ended 31 March 2016

1. Statement of accounting policies

1.1 Statement of compliance

This statement of accounts has been prepared in accordance with the 2015-16 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The accounting policies contained in the *FReM* apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the *FReM* permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Registrar of Consultant Lobbyists for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Registrar of Consultant Lobbyists are described below. They have been applied consistently in dealing with items that are considered material to the statement of accounts.

1.2 Basis of preparation

This statement of accounts has been prepared under the modified historical cost convention.

1.3 Going concern

The statement of accounts has been prepared on a going concern basis, although the Office of the Registrar of Consultant Lobbyists (ORCL) has more liabilities than assets and its retained losses are greater than income resulting in negative equity. Negative equity arises where grant-in-aid provided by the Cabinet Office is sufficient to cover only cash gross expenditure and not accruals and where income from consultant lobbyists is insufficient to cover costs.

ORCL is however able to maintain its operations because the Cabinet Office will continue to provide financing through grant-in-aid. The Spending Review 2015 set out plans for the Cabinet Office for financial years 2016-17 to 2019-20 and Parliament has authorised spending in the Cabinet Office Main Estimate published within “Central Government Supply Estimates 2016-17” HC 967.

1.4 Expenditure

The Register is not of itself an asset, rather the Registrar purchases a service provided by the asset and, as a consequence, the Registrar does not bear the risks and rewards of ownership and relevant costs are expensed.

The Cabinet Office provides a number of corporate functions to the entity which include finance, estates and information communication and technology service delivery. These are recharged on a notional basis. The amount of the recharge is an apportionment of costs, calculated as a cost per full time equivalent employee within the Cabinet Office multiplied by the number of full time equivalent employees in the entity.

1.5 Revenue

Part 1, section 22 of the Act stipulates:

1. The Registrar may impose charges for or in connection with the making, updating and maintenance of entries in the Register.
2. The charges are to be determined by or in accordance with regulations.
3. In making the regulations, the Minister must seek to ensure that the total paid to the Registrar in charges is sufficient to offset the total of the costs incurred by the Registrar in exercising the functions under this Part (whether or not those costs are directly connected with the keeping of the Register).
4. If a charge imposed for making an application or a return to the Registrar is not paid, the Registrar may treat the application or return as not having been made.
5. The Registrar must pay into the Consolidated Fund any sums received in respect of charges under this section.

Fees, including the charge for the annual maintenance of the Register, from consultant lobbyists are recognised on an accruals basis from the point of application to register over the period to which the fee relates.

The registration period with associated obligations on ORCL and registrants runs from 1 January to 31 December each year with the fee therefore straddling two financial years. Monies collected are split appropriately across the financial year with a portion of the fee retained for the current financial year and, where necessary, the rest deferred to the next financial year.

HM Treasury has agreed that these charges (which are treated as taxes in National Accounts) may be subject to a netting off arrangement whereby they may be netted off against expenditure in budgetary terms and may be recorded as income in the SOCNE.

The Office of the Registrar of Consultant Lobbyists also acts as a collecting agent for civil penalties on behalf of HM Treasury's Consolidated Fund. The netting off arrangement does not apply to these fines charged upon consultant lobbyists.

Cash receipts from both fees and civil penalties are surrenderable to HM Treasury's Consolidated Fund.

1.6 Grant-in-aid

The Registrar of Consultant Lobbyists is a corporation sole and it receives financing in the form of grant-in-aid from the Cabinet Office. The level of grant-in-aid is sufficient to cover gross cash expenditure given income is surrenderable to HM Treasury's Consolidated Fund. Grant-in-aid is issued on a deemed basis since the Office of the Registrar of Consultant Lobbyists does not hold a bank account. Grant-in-aid is recognised at the point of cash receipt and is credited to the General Fund.

1.7 Cash and cash equivalents

The Office of the Registrar of Consultant Lobbyists does not hold a bank account or cash. Under a memorandum of understanding, payments are made, and receipts collected, on behalf of the Registrar of Consultant Lobbyists by the Cabinet Office, through its central bank account.

1.8 Financial assets

Trade and other receivables are recognised at cost which is deemed to be materially the same as the fair value. Trade and other receivables include registration charges due from consultant lobbyists and prepayments and accrued income and cash collected by the Cabinet Office from consultant lobbyists on behalf of the Registrar.

1.9 Financial liabilities

Trade and other payables are recognised at cost which is deemed to be materially the same as the fair value. Trade and other payables include accruals, deferred income and amounts payable to the Consolidated Fund.

1.10 Value added tax

The Registrar for Consultant Lobbyists is not VAT registered. Irrecoverable VAT is charged to the relevant expenditure category.

1.11 Impending application of newly issued accounting standards not

The Office of the Registrar of Consultant Lobbyists anticipated that the adaptation of these standards is unlikely to have a material impact on the financial statements in the period of application.

IAS 1 – Disclosure Initiative (amendment)

These amendments encourage professional judgement to be used in determining what information to disclose in financial statements and where and in what order information is presented in the financial disclosures. Expected to be applied in 2016-17 following EU adoption and review.

IAS 7 - Disclosure Initiative (amendment)

These amendments come with the objective that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. Expected to be applied in 2017-18 following EU adoption and consultation.

IFRS 9 – Financial Instruments (new)

The objective of the new Standard is to provide users with more useful information about an entity's expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date of financial instruments. Expected to be applied in 2018-19 following EU adoption and consultation.

2. Expenditure

£	2015-16	2014-15
Staff Costs¹		
Fees	26,900	20,492
Expenses	1,470	769
Inward Secondments	90,069	55,650
Agency/Temporary ²	-	30,633
Total Staff Costs	118,439	107,544
Goods and Services		
IT costs ³	57,729 ⁴	28,710
Establishment of right to appeal to General Regulatory Chamber ⁵	34,371	-
Supplies and services	27,943	13,578
Auditors' remuneration and expenses ⁶	8,000	8,000
Travel, subsistence and hospitality	885	-
Other staff related costs	86	-
Consultancy	-	74,665
Total goods and services	129,014	124,953
Non-cash - Notional corporate services recharges	47,764	31,843
Total	295,217	264,340

¹ Staff costs are disclosed in the Remuneration and Staff Report within the Accountability Report.

² This relates to the use of IT specialist to create the technical solution for the Register.

³ IT costs have increased by £29,019 from £28,710 to £57,729 owing to the initial costs associated with establishing the IT solution for the Register in 2014-15, whilst costs in 2015-16 relate to licence renewals, small scale improvements to the Register and ongoing maintenance.

⁴ This includes £9,915 for the establishment of an independent ORCL website separate to the GOV.UK platform. As with the Register, the website itself is not an asset and has therefore been expensed. See Note 1.4 for more information.

⁵ These costs relate to the administration and judicial costs of setting up the new right for consultant lobbyists to appeal to the First Tier Tribunal - General Regulatory Chamber (GRC) part of HM Courts and Tribunal Service. The GRC can deal with appeals from consultant lobbyists over the Registrar's decisions, such as the issuing of Civil Penalties by the Registrar.

⁶ During the reporting year, no payment was made to the auditors for non-audit work.

3. Income

£	2015 -16	2014-15 ¹
Registration fees from consultant lobbyists	80,093	2,463
Total	80,093	2,463

The Cabinet Office determines the registration fee which includes costs associated with maintaining the Register and processing registration and quarterly information returns. The registration fee runs from 1 January to 31 December. The 2015 fee was £700 and the 2016 fee is £950. The quarterly information return fee has remained at £12.50 per quarter for both 2015 and 2016.

The fee for consultant lobbyists joining the Register part way through the year is based on the following algorithm $F = (n / T) \times 700 + 12.5 \times Q$, where n = number of days left in the year from when the registrant posts their registration, T = total number of days in that year and Q = number of quarters left in the year not including the current quarter + the number of current and previous quarters available to be prepared by the consultant lobbyist.

The registration period with associated obligations on ORCL and registrants runs from the 1 January to the 31 December each year with the fee therefore covering two financial years. As such in terms of financial handling, monies collected from the fee are split appropriately across the financial year with a portion of the fee retained for the current financial year and where necessary the rest deferred to the next financial year.

4. Financial instruments

Funding for the Office of the Registrar of Consultant Lobbyists is received as grant-in-aid from the Cabinet Office. Therefore the Registrar of Consultant Lobbyists is not exposed to significant liquidity or interest rate risk.

5. Trade receivables, financial and other assets

£	2015 -16	2014-15
Current – amounts falling due within one year		
Other receivables	63	589
Prepayments and accrued income	4,745	5,800
Total	4,808	6,389

6. Cash and cash equivalents

£	2015 -16	2014-15
Balance at 1 April	10,156	-
Net change in cash and cash equivalent balances	150,324	10,156
Balance at 31 March	160,480	10,156
The following balance at 31 March was held at:		
Government Banking Service - Supply	160,480	10,156
Balance at 31 March	160,480	10,156

7. Trade payables and other current liabilities

£	2015-16	2014-15
Current – amounts falling due within one year		
Other payables	22,820	120
Accruals and deferred income	112,143	122,908
Amounts payable to the Consolidated Fund – received:		
Fees from consultant lobbyists	157,772	10,036
Civil penalty from consultant lobbyist	2,000	-
Total	294,735	133,064

Deferred income is further explained at Note 3.

Information on the amounts payable to the Consolidated Fund is provided in the Parliamentary Accountability Disclosures Section.

8. Related party transactions

The Registrar of Consultant Lobbyists is a corporation sole funded by the Cabinet Office. The Registrar has had a number of transactions with the Cabinet Office in relation to staff secondments and corporate services. Neither the Registrar nor her staff have undertaken any material transaction with registered consultant lobbyists during the year.

9. Events after the reporting period

In accordance with the requirements of *IAS 10 Events after the Reporting Period*, events after the reporting period are considered up to the date on which the accounts are authorised for issue by the Accounting Officer. This is interpreted as being the date on the Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament. There are no events after the reporting period which affect these accounts.

EU Referendum

The result of the referendum held on 23 June 2016 was in favour of the UK leaving the European Union. For the purposes of these accounts, this is a non-adjusting event. A reasonable estimate of the financial effect of this event cannot be made.

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