

Schedule to notice of approval, subject to modifications, of the 2004/05 RSSB budget

Budget item	Proposed modification	Reason for change
Core operating budget	Increase of £2 million in respect of estimated VAT liability. (Total = £25.4 million)	Decision of Customs and Excise in relation to RSSB's VAT status and its ability to recover input VAT.
Research	Reduction of £3 million. (Total = £15 million)	Representations by SRA in relation to its own budget. (The principle adopted in coming to this decision reflects the fact that beyond 2006 the research element of RSSB's budget will be paid as a direct grant by SRA.)