

Section 1 - Consultancy Value Statement: Value to be delivered	
Supplier Name	Deloitte LLP
Title of Contract	L0430 Financial and Tax Consultancy for the Sukuk Programme
Requirement Summary	<p>HM Treasury issued the UK's debut sovereign Sukuk, or Islamic bond, in June 2014. As part of the structure of the bond, a Special Purpose Vehicle (SPV) was created to issue the Sukuk. The SPV as a PLC is required to turn in accounts, and as such the authority is contracting with an accountancy firm (the "Contractor") to provide accounting advice and prepare draft financial statements for the SPV. The Contractor may also be required to perform a face to face handover of the accounting advice and go through the draft financial statements with the HMT Finance department.</p> <p>The services to be provided under the contract include, but may not be limited to, the preparation of draft interim and annual accounts (word document and supporting spreadsheet) for HM Treasury UK Sovereign Sukuk PLC (the "SPV"), and providing advice on:</p> <ul style="list-style-type: none"> • Under which accounting standards the SPV would prepare its accounts; • The implications of the SPV's trust status for the preparation of its accounts; • The recognition of the SPV's income and expenditure, including tax accounting; • The recognition and valuation of land held by HM Treasury UK Sovereign Sukuk plc (the SPV); • The treatment of the leases granted in favour of, and by, the SPV under current and proposed accounting standards; • The implications of potential changes to the Sukuk structure and the events provided for within the Sukuk documentation (e.g. Total Loss Event) or external reporting standards; and • Any other relevant accounting and financial reporting requirements. <p>The Contractor may also be required to meet with the Authority to go through the draft financial statements with the HMT Finance department and perform a 'handover' summary of the accounting advice.</p>
Financial Value Statement	<p>There is no direct financial or quantifiable value to be delivered by the contract. This contract is to fulfil the legal requirement of the SPV PLC to turn in its accounts.</p> <p>The maximum capped value of this contract £65,700 (excluding VAT).</p>

Non-financial Value Statement	Accounting and tax advice to be provided by the contractor, including draft financial statements and a draft tax return. This will help ensure compliance with accounting standards and accurate assessment of the SPV's tax liability in a specialised area new to HM Treasury. The contractor will provide necessary expertise and knowledge which does not currently exist in HMT or the Debt Management Office.
Section 2 - Consultancy Value Statement: Actual Value Delivered	
Financial Value Statement	The actual spend against the contract was £65,500 (excluding VAT).
Non-financial Value Statement	All of the Accounting and tax deliverables and objectives outlined in section 1 were provided as expected. The outputs from the contract will enable HM Treasury staff to provide these services to the SPV going forward without the need for external consultancy.