



Enterprise and New Towns (Scotland) Act 1990

1990 CHAPTER 35

PART I

SCOTTISH ENTERPRISE AND HIGHLANDS AND ISLANDS ENTERPRISE

Financial provisions

24 Financial duties of Scottish Enterprise

- (1) After consultation with Scottish Enterprise, the Secretary of State may, with the approval of the Treasury, determine the financial duties of Scottish Enterprise; and different determinations may be made in relation to different functions and activities of the body.
- (2) The Secretary of State shall give Scottish Enterprise notice of every determination under subsection (1) above; and such a determination may—
 - (a) relate to a period beginning before the date on which it is made;
 - (b) contain incidental or supplemental provisions; and
 - (c) be varied by a subsequent determination under that subsection.

25 Finances of Scottish Enterprise

- (1) Schedule 2 to this Act shall have effect as regards the finances of Scottish Enterprise.
- (2) The aggregate amount outstanding, otherwise than by way of interest, in respect of—
 - (a) the general external borrowing of—
 - (i) Scottish Enterprise and its subsidiaries; and
 - (ii) the Scottish Development Agency;
 - (b) sums issued by the Secretary of State in fulfilment of guarantees under paragraph 5 of Schedule 2 to this Act or by the Treasury or the Secretary

Status: This is the original version (as it was originally enacted).

of State in fulfilment of guarantees under paragraph 6 of Schedule 2 to the Scottish Development Agency Act 1975 (financial and administrative provisions relating to the Scottish Development Agency), being sums which have not been repaid;

- (c) sums paid (other than by way of lending) to Scottish Enterprise by the Secretary of State out of money provided by Parliament but with there being deducted—
 - (i) any such sums repaid to the Secretary of State by the body; and
 - (ii) any such sums paid in respect of the administrative expenses of Scottish Enterprise;
- (d) loans guaranteed by Scottish Enterprise and by any of its subsidiaries (whether or not by virtue of section 22(1)(a) of this Act),

shall not exceed £2,000 million, or such greater sum not exceeding £3,000 million as the Secretary of State may, with the consent of the Treasury, by order made by statutory instrument specify.

(3) An order under subsection (2) above shall not be made unless a draft of the order has been laid before, and approved by resolution of, the Commons House of Parliament.

(4) In subsection (2)(a) above, “general external borrowing” means, in relation to—

- (a) Scottish Enterprise, sums borrowed by it other than sums—
 - (i) borrowed from a body corporate which is or was one of its subsidiaries at the time of the loan; or
 - (ii) mentioned in subsection (2)(b) above;
- (b) a subsidiary of Scottish Enterprise, sums borrowed by the subsidiary (whether or not a subsidiary of Scottish Enterprise at the time of the loan) other than sums borrowed from—
 - (i) Scottish Enterprise;
 - (ii) a subsidiary of Scottish Enterprise;
 - (iii) the Scottish Development Agency; or
 - (iv) a subsidiary of the Agency; and
- (c) the Scottish Development Agency, sums borrowed by them other than sums—
 - (i) borrowed from a body corporate which was one of their subsidiaries at the time of the loan; or
 - (ii) mentioned in subsection (2)(b) above,

but does not include any debt assumed by the Scottish Development Agency under paragraph 7(1) of Schedule 2 to the Scottish Development Agency Act 1975.

26 Finances of Highlands and Islands Enterprise

- (1) The Secretary of State may, with the consent of the Treasury, make such grants to Highlands and Islands Enterprise as appear to him to be required to enable the body to meet the expenses it incurs in the exercise of its functions and powers.
- (2) Any grant under subsection (1) above may be subject to such conditions as the Secretary of State thinks fit to impose.
- (3) For the purposes of the exercise of any of its functions or powers, Highlands and Islands Enterprise may, with the consent of the Secretary of State and of the Treasury, borrow money.

(4) No security shall be constituted over land owned by Highlands and Islands Enterprise.

27 Additional financing for Scottish Development Agency

In paragraph 2 of Schedule 2 to the Scottish Development Agency Act 1975 (payments to the Agency out of money provided by Parliament), at the end of sub-paragraph (a) but before the word “and” there shall be inserted the following sub-paragraph—

“(aa) in respect of payments by them under sub-paragraph (3A) of paragraph 1 above in reduction of the public dividend capital or repayments by them under sub-paragraph (2) of paragraph 4 below,”.