
STATUTORY INSTRUMENTS

1991 No. 875

GOVERNMENT TRADING FUNDS

The Buying Agency Trading Fund Order 1991

Approved by the House of Commons

Made - - - - 1st April 1991

Coming into force - - 1st April 1991

Whereas:

(1) It appears to the Secretary of State that the operations of the Buying Agency referred to in article 3 of this Order are suitable to be financed by means of a trading fund, and that the financing of those operations by means of a trading fund would be in the interests of the improved effectiveness of the management of those operations;

(2) The Secretary of State has, in accordance with section 2(1) of the Government Trading Funds Act 1973 determined:—

(a) with Treasury concurrence that the assets and liabilities set out in Schedule 2 are properly attributable to those operations and are suitable to be appropriated to the fund to be established by the following Order, and

(b) in accordance with Treasury directions the values and amounts set out.

The Secretary of State, in exercise of the powers conferred on him by sections 1(1), 1(4), 2(1), 2A(1), and 2B(6) of the Government Trading Funds Act 1973⁽¹⁾ and of all other powers enabling him in that behalf, with the concurrence of the Treasury, hereby makes the following Order, a draft of which has been laid before the House of Commons and has been approved by a resolution of that House in accordance with section 6(2) of the said Act:—

Citation and commencement

1. This Order may be cited as the Buying Agency Trading Fund Order 1991, and shall come into force on 1st April 1991.

Interpretation

2. In this Order—

“the Act” means the Government Trading Funds Act 1973; and

“the fund” means the trading fund established by this order.

(1) 1973 c. 63. Sections 1 and 2 were substituted, and sections 2A and 2B inserted, by section 1 of the Government Trading Act 1990 (c. 30). The 1973 Act as amended is set out in Schedule 1 to the 1990 Act.

Establishment of the fund

3. As from 1st April 1991 for the operations of the department of the government known as the Buying Agency which are described in Schedule 1 to this Order there shall be established a trading fund to be known as the Buying Agency Trading Fund.

Designation of the authorised lender

4. The Secretary of State is hereby designated the authorised lender to the fund for the purposes of the Act.

Maximum amount to be issued to the fund by way of loan

5. The maximum amount that may be issued to the fund by way of loan under section 2B of the Act shall be £10 million.

Appropriation of assets and liabilities

6. The Crown assets and liabilities as at 1st April 1991 described in general terms in Schedule 2 to this Order shall be appropriated as assets and liabilities of the fund at the values and the amounts specified in that Schedule.

Public dividend capital

7. Such part of the capital of the fund as amounts to £100,000 shall be treated as public dividend capital.

26th March 1991

Michael Heseltine
One of Her Majesty's Principal Secretaries of
State

We concur

1st April 1991

Thomas Sackville
Sydney Chapman
Two of the Lords Commissioners of Her
Majesty's Treasury

SCHEDULE 1

Article 6

FUNDED OPERATIONS

The operations of the Buying Agency to be funded by the fund are:—

- (a) the procurement and supply to government departments and other bodies of such goods, materials, plant equipment, products and services as may be required by or supplied to any government department, health authority, local authority, nationalised industry, or other nondepartmental public body, and
- (b) operations incidental, conducive or otherwise ancillary to the foregoing.

SCHEDULE 2

Article 6

ASSETS AND LIABILITIES APPROPRIATED TO THE FUND

Assets	Value (in £000)
Plant, machinery, fixture, fittings and equipment	150
Debtors	1,500
Liabilities	Amount (in £000)
Trade creditors	250
Accruals	200

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for setting up a trading fund established with public money to finance the operations of the Buying Agency. It designates the Secretary of State as the authorised lender to the fund, imposes a limit of £10 million on the sums that may be issued to the fund by way of loan, and provides that part of the capital of the trading fund amounting to £100,000 is to be public dividend capital. Schedule 1 describes the operations in question, and Schedule 2 the assets and liabilities that are appropriated to the fund together with their values and amounts.