



# Government Trading Funds Act 1973

## 1973 CHAPTER 63

### 4 Management and accounting.

- (1) A trading fund established under this Act . . . <sup>F1</sup> shall be under the control and management of the responsible Minister; and in the discharge of his functions in relation to the fund it shall be his duty—
  - (a) to manage the funded operations so that the revenue of the fund
    - <sup>F2</sup>(i) consists principally of receipts in respect of goods or services provided in the course of the funded operations, and
    - (ii) is not less than sufficient, taking one year with another, to meet outgoings which are properly chargeable to revenue account; and
  - (b) to achieve such further financial objectives as the Treasury may from time to time, by minute laid before the House of Commons, indicate as having been determined by the responsible Minister (with Treasury concurrence) to be desirable of achievement.
- (2) With Treasury concurrence, the responsible Minister may establish and maintain general, capital and other reserves in the accounts of the trading fund.
- (3) If at any time it appears to the responsible Minister that any amount standing in the reserves of the trading fund is surplus to any foreseeable requirements of the funded operations, <sup>F3</sup>he may with Treasury concurrence pay that amount out of the fund and] into the Consolidated Fund.
- <sup>F4</sup>(4) If, in the case of a trading fund not having public dividend capital, the revenues of the fund for a financial year exceed the total sums properly chargeable to revenue account for that year, the responsible Minister may with Treasury concurrence—
  - (a) apply the excess for such purposes of the funded operations as he may determine, or
  - (b) pay the whole or part of the excess into the Consolidated Fund.]
- (5) Any money in the fund which appears to the responsible Minister not to be immediately required for the funded operations may be invested by him in such securities of the Government of the United Kingdom or of the Government of Northern

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Ireland as the Treasury may approve, including Treasury Bills and Ways and Means advances.

- (6) The Treasury shall appoint an accounting officer for the fund, with responsibility for keeping its accounts and proper records in relation thereto, and preparing and signing a statement of the accounts in respect of each financial year; and—
- (a) the annual statement of accounts shall [<sup>F5</sup>comply with any directions given by the Treasury as to the information to be contained in the statement, the manner in which the information is to be presented or the methods and principles according to which the statement is to be prepared] and contain such additional information . . . <sup>F6</sup> as the Treasury may require to be provided for the information of Parliament; and
  - (b) the statement in respect of each financial year shall, on or before 30th November next following the end of that year, be transmitted to the Comptroller and Auditor General, who shall examine and certify the statement and lay copies thereof, together with his report thereon, before Parliament.

[<sup>F7</sup>(6A) The accounting officer shall send to the responsible Minister in respect of each financial year—

- (a) the annual statement of accounts, and
- (b) a report in such form and containing such information as to the performance of the funded operations as the Treasury may require,

and the responsible Minister shall publish any report received by him under this subsection, together with the annual statement of accounts (unless the Treasury otherwise directs), in such manner as the Treasury may require.

- (6B) Where any enactment (other than this Act) requires, in whatever terms, a report to be prepared for any period as to the funded operations and sent to any person, or laid before Parliament, or both or so sent or laid by any time or times, an order may provide for that requirement to be treated as satisfied by preparing the report for the financial year and sending it to that person, or laying it before Parliament, or both or, as the case may be, so sending or laying it by the time or times specified in the order.]

[<sup>F8</sup>(7) The Treasury shall not make a direction under section 7(1) of the Government Resources and Accounts Act 2000 in respect of any operations of a government department for a financial year during which the operations are funded operations of a trading fund.]

#### Subordinate Legislation Made

- P1** [S. 4\(6B\)](#): s. 1 (with ss. 2, 2B(6) and 4(6B)) power exercised by [S.I. 1991/1796](#).  
[S. 4](#): for previous exercises of this power see Index to Government Orders.

#### Textual Amendments

- F1** Words repealed by [Government Trading Act 1990 \(c. 30, SIF 99:1\)](#), s. 5(4), **Sch. 2 Pt. II**  
**F2** Words inserted by [Government Trading Act 1990 \(c. 30, SIF 99:1\)](#), **s. 2(2)(a)**  
**F3** Words substituted by [Government Trading Act 1990 \(c.30, SIF 99:1\)](#), **s. 2(2)(b)**  
**F4** [S. 4\(4\)](#) substituted by [Government Trading Act 1990 \(c. 30, SIF 99:1\)](#), **s. 2(2)(c)**  
**F5** Words substituted by [Government Trading Act 1990 \(c. 30, SIF 99:1\)](#), **s. 2(2)(d)**  
**F6** Words repealed by [Government Trading Act 1990 \(c. 30, SIF 99:1\)](#), ss. 2(2)(d), 5(4), **Sch. 2 Part II**  
**F7** [S. 4\(6A\)\(6B\)](#) inserted by [Government Trading Act 1990 \(c. 39, SIF 99:1\)](#), **s. 2(2)(e)**  
**F8** [S. 4\(7\)](#) substituted (1.4.2001) by 2000 c. 20, s. 29, **Sch. 1 para. 16**; [S.I. 2000/3349](#), **art. 3(1)(a)** (with transitional provision in [art. 5](#))

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**Modifications etc. (not altering text)**

- C1** S. 4(1)(2)(3)(5) amended (1.4.1993) by S.I. 1993/938, **art. 3(3)**
- C2** S. 4(5) extended (24.6.2003) by The Uncertificated Securities (Amendment) (Eligible Debt Securities) Regulations 2003 (S.I. 2003/1633), reg. 1(1), **Sch. 2 para. 2(d)**

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