



Agricultural Marketing Act 1958

1958 CHAPTER 47 6 and 7 Eliz 2

PART I

AGRICULTURAL MARKETING SCHEMES

Financial powers and duties of boards

13 Schemes to provide for establishment of a fund, payment of contributions, etc.

- (1) Every scheme shall provide for the following matters, that is to say:—
- (a) for the establishment of a fund (hereafter in this section referred to as “the fund”) to be administered and controlled by the board, for the payment into the fund of all moneys received by the board, and for the payment out of the fund of any moneys required by the board for the operation of the scheme;
 - (b) for the payment by registered producers of contributions to the fund of such amounts as may be necessary for the operation of the scheme, and for the assessment of the contributions of producers in such manner and subject to such limitations as may be provided by the scheme;
 - (c) for the distribution in such manner as may be provided by the scheme of all moneys standing to the credit of the fund which are not required for the operation of the scheme;
 - (d) for the accounts to be kept by the board and for the audit of those accounts;
 - (e) for the furnishing by the board to the Minister and to registered producers of accounts, returns and other information, including an annual balance sheet and either an annual profit and loss account or, in the case of a board which does not trade for profit, an annual income and expenditure account;
 - (f) for the furnishing by the board of a copy of the balance sheets of the board to any person requiring it.
- (2) Compensation shall be payable under, and in accordance with, a scheme by the board to registered producers in such class of cases as may be specified in the scheme; and any scheme may provide for empowering the board, in such class of cases as may be specified in the scheme, to pay compensation to registered producers in respect of any

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loss which, in the opinion of the board, has been occasioned to those producers by the operation of any scheme, whether administered by that board or not.

- (3) Except in the case of a substitutional scheme, the operation of any provision of a scheme made in pursuance of paragraphs (b) and (c) of subsection (1) of this section, and the operation of the provisions of a scheme relating to the payment of compensation, shall be suspended until the expiration of the suspensory period.

Modifications etc. (not altering text)

C1 [S. 13\(1\)\(e\)](#) modified (21.11.2002) by [S.I. 2002/2843](#), **art. 3(2)** (with transitional and saving provisions in [art. 10](#))

14 Power of boards to make loans and grants and to enter into guarantees.

- (1) Any scheme may provide for empowering the board—
- (a) to lend to any registered producer a portion of the amount which the board estimate that he will receive from the sale of any quantity of the regulated product produced or in course of production by him;
 - (b) to guarantee payments of any sums secured by an agricultural charge created by a registered producer under Part II of the ^{M1}Agricultural Credits Act, 1928.

Except in the case of a substitutional scheme, the operation of any provision of a scheme made in pursuance of this subsection shall be suspended until the expiration of the suspensory period.

- (2) Any scheme may provide for empowering the board, subject to such limitations as may be specified in the scheme—
- (a) to lend or grant money to any other board;
 - (b) to guarantee payment by any other board of any sums which that board may be liable to pay on account of principal or interest in respect of any loan made to them.
- (3) Any scheme which contains such a provision as is authorised by the last foregoing subsection may further provide for securing that any loan, grant or guarantee not specifically authorised by the scheme shall not be made or given by the board except in pursuance of a resolution of the board specifying all material particulars relating to the proposed transaction, being a resolution which has been previously notified to, and approved by, the registered producers in accordance with such requirements in that behalf as may be contained in the scheme.

Marginal Citations

M1 [1928 c. 43](#).

15 Borrowing power of boards and provisions as to loans and grants made to boards.

- (1) Every scheme shall provide for empowering the board to borrow money for the purpose of exercising their functions under the scheme.

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- (2) A board shall have power to accept from any other person any grant to be applied for any of the purposes for which the board are empowered to expend money.
- (3) A scheme may provide for empowering the board, in any case where a loan or grant is proposed to be made to them, to agree with the person proposing to make the loan or grant, as the case may be, and, in the case of a loan, with any person proposing to guarantee the repayment thereof, that if the loan or grant is duly made or the guarantee duly given, the board will apply the money obtained by them by means of the loan or grant subject to such conditions (including conditions as to the persons on whose advice the board are to act in applying the said money) as may be specified in the agreement.
- (4) Where a scheme provides for empowering the board to make any such agreement as aforesaid, the scheme—
- (a) shall impose upon the board the duty of carrying into effect any such agreement entered into by them; and
 - (b) may provide that where such an agreement contains conditions requiring the board to act on the advice of any specified persons, the provisions of the scheme entitling a registered producer who is aggrieved by any act or omission of the board to refer the matter to arbitration shall not apply in relation to anything done, or omitted to be done, by the board in pursuance of the agreement.
- (5) A debenture issued by the board may create in favour of a bank a floating charge on any farming stock in England or Wales the property in which is vested in the board, and any such charge shall be registered in like manner as an agricultural charge under Part II of the ^{M2}Agricultural Credits Act, 1928, and section nine of that Act shall apply to such a charge in like manner as it applies to an agricultural charge, and the charge, if so registered, shall, as respects such property, be valid notwithstanding anything in the Bills of Sale Acts, 1878 and 1882, and shall not be deemed to be a bill of sale within the meaning of those Acts.

In this subsection “bank” and “farming stock” have the same meanings respectively as in Part II of the Agricultural Credits Act, 1928.

- (6) In the application of this section to Scotland, the following subsection shall be substituted for subsection (5):—

“(5) It shall be lawful for the board to create by instrument in writing in favour of a bank a charge on all or any of the agricultural produce in Scotland from time to time belonging to, and in possession of, the board as security for sums advanced or to be advanced to the board or paid or to be paid on their behalf under any guarantee by the bank, and interest, commission and charges thereon, and the provisions of Part II of the Agricultural Credits (Scotland) Act, 1929, shall apply to any charge created in pursuance of this subsection in like manner as they apply to an agricultural charge.

In this subsection “bank” and “agricultural produce” have the same meanings respectively as in the Agricultural Credits (Scotland) Act, 1929”

Marginal Citations

M2 1928 c. 43.

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16 Investment of surplus funds of boards.

Every scheme shall provide for the manner in which the moneys of the board may be invested and shall be so framed as to secure that—

- [^{F1}(a) the moneys of the board not for the time being required by them for the purposes of their functions are not, except with the approval of the Minister, invested otherwise than in investments in which trustees may invest under the general power of investment in section 3 of the Trustee Act 2000 (as restricted by sections 4 and 5 of that Act); and]
- (b) a statement of the manner in which any such moneys as aforesaid are invested is included in an annual report made by the board to the Minister and to registered producers.

Textual Amendments

- F1** S. 16(a) substituted (1.2.2001) by 2000 c. 29, s. 40(1), **Sch. 2 Pt. II para. 31(1)** (with s. 35, Sch. 2 Pt. II para. 31(2)); S.I. 2001/49, **art. 2**

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