
STATUTORY INSTRUMENTS

1995 No. 1665

GOVERNMENT TRADING FUNDS

The Buying Agency Trading Funds (Extension) Order 1995

Made - - - - *29th June 1995*

Coming into force - - *1st July 1995*

Whereas:

(1) The Buying Agency Trading Fund was established under the Government Trading Funds Act 1973(1) (“the 1973 Act”) by the Buying Agency Trading Fund Order 1991(2) (“the 1991 Order”) with effect from 1st April;

(2) It appears to the Secretary of State that:—

- (a) the operations of the Fuel Branch of the Department of the Environment are suitable to be financed as part of the Buying Agency Trading Fund (“the Fund”),
- (b) it would be in the interests of the improved efficiency and effectiveness of the management of those operations to finance them by means of the Fund; and
- (c) the operations of the Fund should be extended to those operations;

(3) The Secretary of State has in accordance with section 2(1) of the 1973 Act and with the concurrence of the Treasury determined what Crown assets and liabilities are properly attributable to those additional operations and are suitable to be appropriated to the Fund; and

(4) In accordance with section 6(2) of the 1973 Act, a draft of this Order has been laid before the House of Commons and has been approved by a resolution of that House;

Now therefore, the Secretary of State, in exercise of the powers conferred on him by sections 1, 2(1), 2A and 6(1) of the 1973 Act and of all other powers enabling him in that behalf, with the concurrence of the Treasury, hereby makes the following Order:—

Citation and Commencement

1. This Order may be cited as the Buying Agency Trading Fund (Extension) Order 1995, and shall come into force on 1st July 1995.

(1) 1973 c. 63; the 1973 Act was amended by the Government Trading Act 1990 (c. 30) and the 1973 Act as so amended is set out in Schedule 1 to the 1990 Act; section 2 was further amended by section 119 of the Finance Act 1991 (c. 31) and by section 210 of, and Schedule 22 to, the Finance Act 1993 (c. 34).

(2) S.I. 1991/875 as amended by S.I. 1992/123.

Extension of the Fund

2. As from 1st July 1995

- (a) the operations of the department of the government known as the Fuel Branch of the Department of the Environment shall be financed by means of the Fund; and
- (b) paragraph (a) of Schedule 1 of the 1991 Order shall have effect as if for the reference to “products and services” there were substituted a reference to “products, fuel, energy and services”.

Appropriation of assets and liabilities to the fund

3. Crown assets consisting of machinery, equipment and debtors and Crown liabilities consisting of creditors, being assets and liabilities properly attributable to the Fuel Branch of the Department of the Environment shall be appropriated as assets and liabilities of the Fund.

Public Dividend Capital

4. £250,000, being part of the amount by which the value of the additional assets mentioned in Article 3 exceeds the amounts of the additional liabilities mentioned in that Article, shall be treated as public dividend capital of the Fund.

Signed by authority of the Secretary of State.

29th June 1995

Paul Beresford
Parliamentary Under Secretary of State,
Department of the Environment

We concur

29th June 1995

Timothy Wood
Timothy Kirkhope
Two of the Lords Commissioners of Her
Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

The Buying Agency Trading Fund was established by the Buying Agency Trading Fund Order 1991 (“the principal Order”) under the Government Trading Fund Act 1973 with effect from 1st April 1991. This Order extends the funded operations to include the operations of the Fuel Branch in the Department of the Environment (which procures fuel and energy for government departments and other bodies).

The Order, therefore, amends the description of the funded operations referred to in Schedule 1 to the principal Order, and provides for the additional Assets (estimated at 1 July 1995 to be £890,000) and liabilities (estimated at 1st July 1995 to be £90,000) to be appropriated to the Fund. The net value of the additional assets (estimated at £800,000) will in accordance with section 2(4) of the Act be treated as originating debt of the Fund in respect of the additional operations and will be financed by way of debt in accordance with section 2B of the Act.

The Order also provides for £250,000 being part of the difference between the value of the additional assets and the amounts of the additional liabilities, to be treated as public dividend capital of the fund.