
DRAFT STATUTORY INSTRUMENTS

2008 No.

The Defence Support Group Trading Fund Order 2008

Accordingly the Secretary of State, with the concurrence of the Treasury, in exercise of the powers conferred by sections 1, 2(1), 2(7), 2AA(1), 2A(1), 2C(1) and 6(1) of the 1973 Act makes the following Order:—

Citation and commencement

1. This Order may be cited as the Defence Support Group Trading Fund Order 2008 and shall come into force on 1st April 2008.

Establishment of the fund

2.—(1) From 1st April 2008, there shall be established a trading fund to be known as the Defence Support Group Trading Fund (“the fund”).

(2) The operations of the Defence Support Group described in Schedule 1 shall be financed by means of the fund.

Source of Loans

3. The Secretary of State is designated as the source of issues to the fund by way of loan.

Assets, liabilities, reserves and public dividend capital

4.—(1) The Crown assets and liabilities set out in Schedule 2 to this Order shall be appropriated as assets and liabilities of the fund.

(2) 30 per cent of the balance of the amount by which the values of the assets exceed the amounts of the liabilities shall be treated as revaluation reserves in the accounts of the fund and shall be maintained as reserves.

(3) 50 per cent of the balance of—

(a) the amount by which the value of the assets exceed the amounts of the liabilities, less

(b) the amount to be treated as revaluation reserves in accordance with paragraph (2) above, shall be treated as public dividend capital of the fund.

Maximum borrowing, etc.

5. The aggregate of the following shall not exceed £300,000,000—

(a) the total outstanding at any given time in respect of amounts issued to the fund under section 2B of the 1973 Act (other than as originating debt), and

(b) the total at that time constituting public dividend capital issued to the fund under section 2A(2A) of the 1973 Act.

Revocation

6. The ABRO Trading Fund Order 2002(1) is revoked.

Date *Name*
Secretary of State for Defence

We concur

Date *Name*
Name
Two of the Lords Commissioners of Her
Majesty's Treasury