



Government Trading Funds Act 1973

1973 CHAPTER 63

[^{F1}4A Operations ceasing to be funded.

- (1) This section applies where any operations for which a trading fund is established are to cease to be funded operations (whether the operations ceasing to be funded represent the whole or part of the funded operations or are to cease altogether or be funded operations of another fund or, while continuing to be operations of a department of the government, be financed by other means).
- (2) Where the operations ceasing to be funded represent only part of the funded operations, the responsible Minister shall by order provide for such assets and liabilities of the fund as he may with Treasury concurrence determine to be properly attributable to the operations ceasing to be funded to cease to be assets and liabilities of the fund.
- (3) In the following provisions of this section, “debt” means any amount outstanding in respect of the principal of or interest on sums issued under section 2B of this Act and “originating debt” includes any amount outstanding in respect of interest on such debt; and, where the operations ceasing to be funded represent only part of the funded operations—
 - (a) references to assets and liabilities are to the assets and liabilities ceasing to be assets and liabilities of the fund by virtue of an order under subsection (2) above,
 - (b) references to debt, originating debt or public dividend capital are to so much of any debt, originating debt or public dividend capital as the responsible Minister may with Treasury concurrence determine to be attributable to the operations ceasing to be funded.
- (4) If, in a case where the operations ceasing to be funded are to cease altogether, the values of the assets of the fund exceed the amounts of the liabilities of the fund, the excess shall be applied in accordance with subsection (6) below.
- (5) If in any other case—
 - (a) it appears to the responsible Minister that any amount standing in the reserves of the fund is surplus to any foreseeable requirements of the funded operations, or

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- (b) the revenues of the fund for the last financial year exceed the total sums properly chargeable to revenue account for that year,
the amount or excess shall be applied in accordance with subsection (6) below.
- (6) The amount or excess in question shall be applied towards the following objects (applying paragraph (a) before paragraph (b))—
- (a) the repayment of debt, and
 - (b) payment into the Consolidated Fund in reduction or extinguishment of any public dividend capital,
- and if, where the operations ceasing to be funded represent the whole of the funded operations, any balance remains after the amount or excess has been so applied, the responsible Minister shall pay the balance into the Consolidated Fund.
- (7) The responsible Minister may out of money provided by Parliament repay any debt remaining after the application of subsection (6) above or make a payment into the Consolidated Fund in reduction or extinguishment of any public dividend capital so remaining.
- (8) Where the operations ceasing to be funded represent only part of the funded operations, the responsible Minister may by order made with Treasury concurrence reduce or extinguish any originating debt, or public dividend capital, remaining after the application of the preceding subsections.]

Textual Amendments

F1 S. 4A inserted by [Government Trading Act 1990 \(c. 30, SIF 99:1\)](#), s. 1(2)

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