



# Transport Act 2000

## 2000 CHAPTER 38

### PART I

#### AIR TRAFFIC

### CHAPTER II

#### TRANSFER SCHEMES

##### *Extinguishment of liabilities*

#### **57 Extinguishment of liabilities**

- (1) With the Treasury's consent the Secretary of State may give a direction under this section to the CAA if he thinks that to do so would be appropriate in connection with a transfer scheme which has been or is proposed to be made.
- (2) A direction may be given in relation to a company which is wholly owned by the CAA when the direction is given, and it may require the CAA—
  - (a) to release the company from liability in respect of debts which the company owes to the CAA and which are specified in the direction;
  - (b) to do so at a time when the company is wholly owned by the CAA;
  - (c) to become a party to such arrangements as the direction may specify with a view to the release taking effect.
- (3) A direction may by virtue of subsection (2)(c) include provision as to instruments, their form and the time they are to be made.
- (4) A direction has effect to require the CAA to act in accordance with it even if to do so would not be in furtherance of the CAA's functions arising apart from this section.
- (5) If a direction is given the Secretary of State may by order extinguish the CAA's liability in respect of debts which satisfy these conditions—

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*Status: This is the original version (as it was originally enacted).*

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- (a) the CAA owes the debts to him,
  - (b) he thinks they correspond to those specified in the direction, and
  - (c) they are specified in the order.
- (6) A direction or order may relate to liability for principal only.

## **58 Securities to be issued**

- (1) With the Treasury's consent the Secretary of State may give one or more directions under this section if he thinks that to do so would be appropriate in connection with a direction which has been given under section 57.
- (2) A direction under this section may be given to a company falling within subsection (3), and it may require the company—
- (a) to issue to the appropriate person specified in the direction such securities of the company as the direction specifies, or
  - (b) to issue to different appropriate persons so specified such securities of the company as the direction specifies.
- (3) These companies fall within this subsection—
- (a) the company whose liability the direction under section 57 requires to be released;
  - (b) a company which wholly owns that company;
  - (c) a company which is a wholly owned subsidiary of a company falling within paragraph (a) or (b).
- (4) These are appropriate persons—
- (a) the Secretary of State;
  - (b) the company whose liability the direction under section 57 requires to be released;
  - (c) a company which wholly owns that company.
- (5) But a company does not fall within subsection (3), and a company is not an appropriate person, unless—
- (a) it is wholly owned by the Crown when the direction under this section is given, or
  - (b) it is a wholly owned subsidiary of a company which is wholly owned by the Crown when the direction under this section is given.
- (6) Different directions may be given under this section to the same company; and different directions may be given to different companies.
- (7) A company which is given a direction under this section must issue securities in accordance with it.
- (8) Securities issued in pursuance of this section must be issued at such times and on such terms as the direction concerned specifies.
- (9) Shares issued in pursuance of this section—
- (a) must be of such nominal value as the direction concerned specifies, and
  - (b) must be issued as fully paid and treated for the purposes of the Companies Act 1985 or the Companies (Northern Ireland) Order 1986 as if they had been paid

up by virtue of the payment to the issuing company of their nominal value in cash.

## **59 Securities: other provisions**

- (1) If a security is issued to a company in pursuance of section 49 or 58, for the purposes of its statutory accounts the value of the security when issued must be taken to have been equal to—
  - (a) its nominal value (if it is a share);
  - (b) the principal sum payable under it (if it is a debenture).
- (2) The nominal value or principal sum mentioned above must be taken to be accumulated realised profits for the purposes of the company's statutory accounts.
- (3) If a direction under section 49 or 58 requires a company to issue a debenture the direction may specify—
  - (a) the principal sum payable under the debenture;
  - (b) the terms as to the payment of the principal sum;
  - (c) the terms as to the payment of interest on the principal sum.
- (4) The principal sum payable under the debenture, and the terms as to the payment of it and of interest on it, must be taken to be those so specified.
- (5) Statutory accounts are accounts prepared by a company for the purpose of any provision of the Companies Act 1985 or the Companies (Northern Ireland) Order 1986 (including group accounts).