



Coal Industry Nationalisation Act 1946

1946 CHAPTER 59

Financial provisions.

26 Advances by the Minister to the Board.

For the purpose of enabling the Board to defray expenditure properly chargeable to capital account, including the provision of working capital, the Minister may make advances to the Board of sums not exceeding in the aggregate—

- (a) in the case of sums advanced at any time within five years from the commencement of this Act, one hundred and fifty million pounds ;
- (b) in the case of sums advanced during any subsequent period, such amount as Parliament may hereafter determine.

27 Temporary borrowing powers of the Board.

The Board may, with the consent of the Minister, or in accordance with the terms of any general authority given by him, borrow temporarily by way of overdraft or otherwise such sums as they may require for meeting their obligations and discharging their functions under this Act :

Provided that the aggregate of amounts outstanding in respect of sums so borrowed shall not at any time exceed ten million pounds.

28 Payments to the Minister by the Board.

- (1) The Board shall make to the Minister, at such times and in such manner as he may, with the approval of the Treasury, direct,—
 - (a) payments, of such amounts as he may so direct, by way of recouping the Crown expenses and liabilities incurred by virtue of the provisions of sections ten, seventeen, eighteen, twenty-two, thirty-two and forty-four of this Act;
 - (b) payments of interest on advances to the Board under section twenty-six of this Act as such rate as he may so direct, and payments, of such amounts as he may so direct, in or towards repayment of such advances.

- (2) Sums received by the Minister under this section shall be paid into the Exchequer, and shall be issued out of the Consolidated Fund at such times as the Treasury may direct, and shall be applied by the Treasury as follows, that is to say,—
- (a) so much thereof as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury think fit;
 - (b) so much thereof as represents interest shall be applied to the payment of interest which would, apart from this provision, have fallen to be paid out of the permanent annual charge for the National Debt.
- (3) The Minister shall lay before each House of Parliament a statement of any payments due from the Board under this section which are not duly paid to him as required thereunder.

29 Reserve fund of the Board.

- (1) The Board shall establish a reserve fund.
- (2) The management of the said fund, the sums to be carried from time to time to the credit thereof, and the application thereof, shall be as the Board may determine :

Provided that—

- (a) no part of the said fund shall be applied otherwise than for purposes of the Board ; and
- (b) the power of the Minister to give directions to the Board shall extend to the giving to them, with the approval of the Treasury, of directions as to any matter relating to the establishment or management of the said fund, the carrying of sums to the credit thereof, or the application thereof, notwithstanding that the directions may be of a specific character.

30 Application of surplus revenues of the Board.

Any excess of the Board's revenues for any financial year of the Board over their outgoings for that year properly chargeable to revenue account (including, without prejudice to the generality of that expression, provisions in respect of their obligations under the two last preceding sections) shall be applied for such purposes as the Board may determine :

Provided that—

- (a) no part of any such excess shall be applied otherwise than for purposes of the Board ; and
- (b) the power of the Minister to give directions to the Board shall extend to the giving to them, with the approval of the Treasury, of directions as to the application of any such excess, notwithstanding that the directions may be of a specific character.

31 Board's accounts and audit thereof.

- (1) The Board shall keep proper accounts and other records in relation thereto, and shall prepare in respect of each financial year of the Board a statement of accounts in such form as the Minister may direct, being a form which shall conform with the best commercial standards and which shall distinguish the colliery activities and each of the main ancillary activities of the Board.

- (2) The accounts of the Board shall be audited by auditors to be appointed annually by the Minister.
- (3) So soon as the accounts of the Board have been audited, they shall send a copy of the statement of accounts referred to in subsection (1) of this section to the Minister together with a copy of any report made by the auditors on that statement or on the accounts of the Board.
- (4) The Minister shall lay a copy of every such statement and report before each House of Parliament.

32 Issue of stock in exchange for Coal Commission Stock.

- (1) The Treasury shall have power to issue to the National Debt Commissioners such an amount of government stock of such value on the date of issue thereof as is requisite for fulfilling any agreement made between them for the exchange of Coal Commission Stock for stock of His Majesty's Government in the United Kingdom.
- (2) The Treasury may cancel any Coal Commission Stock surrendered to them in pursuance of any such agreement.

33 General provisions as to stock.

- (1) Stock issued for compensation, stock issued in exchange under subsection (4) of section twenty-three of this Act, and stock issued for the purposes of the exchange provided for by the last preceding section, shall bear such rate of interest, and be subject to such conditions as to repayment, redemption and other matters (including provision for a sinking fund), as the Treasury may determine.
- (2) Any expenses incurred in connection with the issue or repayment of such stock shall be charged on and issued out of the Consolidated Fund.
- (3) The Treasury may, for the purpose of providing any sums required by them in order to redeem such stock, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act.
- (4) Interest on such stock shall be paid out of the permanent annual charge for the National Debt.
- (5) There shall be paid to the Banks of England and Ireland respectively, out of the Consolidated Fund, such sum in respect of the management of such stock in any financial year as may be agreed upon between the Treasury and those Banks respectively.
- (6) Section forty-seven of the Finance Act, 1942 (which empowers the Treasury to make regulations as respects the transfer and registration of stock and registered bonds of the descriptions specified in Part I of the Eleventh Schedule to that Act), and any regulations made under that section which are in force immediately before the passing of this Act, shall have effect as if such stock (other than inalienable stock) were included among the stocks mentioned in the said Part I and among the stocks to which the said regulations apply.

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

- (7) Such stock shall be subject to the provisions of the National Debt Act, 1870, so far as is consistent with the tenor of this Act.
- (8) Paragraphs 3, 4 and 5 of the Second Schedule to the National Loans Act, 1939 (which applies certain enactments to securities issued under that Act), shall have effect as if references to securities so issued included references to such stock.

34 Issues out of the Consolidated Fund for money payments and for advances to the Board.

- (1) The Treasury may issue to the Minister out of the Consolidated Fund such sums as are necessary to enable him to make money payments, and advances to the Board, under this Act.
- (2) For the purpose of providing sums (or any part of sums) to be issued under the preceding subsection, or of providing for the replacement of all or any part of sums so issued, the Treasury may, at any time, if they think fit, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued to raise money under this subsection shall be deemed for all purposes to have been created and issued under that Act.

35 Account of Minister's receipts.

- (1) The Minister shall, as respects each financial year, prepare in such form and manner as the Treasury may direct, an account of sums received by him under section twenty-eight of this Act, and of sums issued to and received by him under subsection (1) of the last preceding section, and of the disposal by him of those sums respectively.
- (2) Any account prepared under this section shall, on or before the thirtieth day of November next following the expiration of the financial year in question, be transmitted to the Comptroller and Auditor General, who shall examine and certify the account and lay copies thereof, together with his report thereon, before each House of Parliament.