
STATUTORY INSTRUMENTS

1997 No. 319

The Local Authorities (Capital Finance) Regulations 1997

PART VI

CAPITAL RECEIPTS

Sums not to be capital receipts

Capital receipts not exceeding £6,000

61. A sum received by a local authority which, apart from this regulation, would be a capital receipt by virtue of section 58(1)(a) shall not be a capital receipt if the aggregate of all sums received or to be received by the authority in respect of the disposal for which the sum is paid does not exceed £6,000.

Disposal of investments

62. A sum received by a local authority in respect of the disposal of an investment which, at the time of disposal, is not an approved investment shall not be a capital receipt if—

- (a) by virtue of regulation 12(1), the expenditure incurred by the authority on making the investment was expenditure falling within section 42(2) (expenditure excluded from requirement to charge expenditure to revenue account); or
- (b) the investment was an approved investment under regulation 2(b) or (c) of the Local Authorities (Capital Finance) (Approved Investments) Regulations 1990(1) (“the 1990 Regulations”), and has ceased to be an approved investment because—
 - (i) where the deposit which constitutes the investment was made with an authorised institution, that institution has ceased to be an authorised institution within the meaning given to that expression in regulation 1(2) of the 1990 Regulations; or
 - (ii) where the deposit which constitutes the investment was made with a building society, that building society has ceased to be a building society within the meaning given to that expression in regulation 2(c) of the 1990 Regulations.

Repayment of grants

63. A sum received by a local authority which, apart from this regulation, would be a capital receipt by virtue of section 58(1)(c) shall not be a capital receipt if it is paid by a person other than the person to whom the authority gave the grant or other financial assistance in relation to which the sum is paid.