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STATUTORY INSTRUMENTS

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**1995 No. 471**

The Edinburgh College of Art (Scotland) Order of Council 1995

PART IV

FINANCIAL ARRANGEMENTS

**Capital Expenditure**

**26.** The Board of Governors may incur capital expenditure for any of the purposes of this Order to which Capital is properly applicable and may appeal for subscriptions or borrow money for the said purposes and may apply to such purposes the money received or borrowed by them.

**Borrowing**

**27.** The Board of Governors may borrow such sums as are necessary either for the purpose of providing for capital expenditure over a short or long term or for the purpose of providing for current expenditure of an annual nature in connection with any of the powers and duties of the Board of Governors and may grant over any part of the assets of the College whether heritable or moveable such security or securities as may be required to secure such borrowing.

**Powers of Investment**

**28.—(1)** The Board of Governors shall, for the purpose of enabling or assisting them in carrying out any of the duties incumbent upon them under this Order, have the powers of investment conferred upon trustees by the Trusts (Scotland) Act 1921<sup>(1)</sup> and the Trustee Investments Act 1961<sup>(2)</sup> and in addition to the said powers the Board of Governors may for the foregoing purpose:—

- (a) invest or re-invest the whole or any part of the assets of the College in or upon Bonds, Debentures, Debenture Stock or Guaranteed or Preference or Ordinary Stock or Unit or Investment Trust of any Local Authority or any Public or Private Company or Corporation in the United Kingdom, or elsewhere abroad, whatever or wherever situated its business may be, and pending a permanent investment may deposit the same in a Bank or Local Authority or any Registered Building Society or with any Company as above referred to, heritable and leasehold property investments, securities, insurance policies, deposits and other assets of whatever description whether producing income or not whether or not falling within the class of investments authorised for trust funds and wherever situated;
- (b) effect, maintain and acquire policies of insurance of whatever description;
- (c) carry on any business, whether alone or in conjunction or in partnership with any other persons, for such period as the Board of Governors may think proper; appoint or employ any trustee and any other person in any capacity in relation to such business and pay to them suitable remuneration for services, including pension provisions for any employees

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(1) 1921 11 and 12 Geo. 5 c.58: section 4 was amended by section 4 of the Trusts (Scotland) Act 1961 (c. 57) and by section 10 of the Trustee Investments Act 1961 (c. 62).

(2) 1961 c. 62 to which no relevant amendments have been made.

or their dependants; and delegate or entrust to any persons the control and management of such business to such extent as the Board of Governors may think fit;

- (d) sell, feu, excamb or otherwise dispose of any of the said investment assets or any part thereof or any business acquired or in the possession of the College which is being carried on or was acquired under the provisions of paragraph (c) above;
- (e) revocably delegate any power or powers of making, managing, realising or otherwise dealing with any investment or deposit comprised in the investment assets of the College to any person or persons upon such terms as to remuneration or otherwise as the Board of Governors may think fit;

(2) The Board of Governors may at any time vary any investment for or into others of any nature hereby authorised.

### **Accounts**

**29.** The Board of Governors shall cause full accounts to be kept of the capital income and expenditure vested in, received by and expended by them.

### **Audit**

**30.**—(1) The accounts of the Board of Governors shall be audited by a properly qualified accountant or firm of accountants and the cost of such audit so far as applicable to the endowments shall be paid out of the revenue of the endowments.

(2) A person or firm shall not be qualified to audit the accounts of the Board of Governors unless he is a member, or, in the case of a firm, unless all the partners are members of one or more of the following bodies:—

- the Institute of Chartered Accountants of Scotland;
- the Institute of Chartered Accountants in England and Wales;
- the Institute of Chartered Accountants in Ireland;
- the Society of Incorporated Accountants;
- the Association of Certified and Corporate Accountants; any other body of accountants recognised by the Secretary of State for the purposes of the provisions of the Companies Act 1980(3) relating to the qualification for appointment as auditor of a company.

### **Allowances to members of the Board of Governors**

**31.** The Board of Governors may pay to any of its members such financial loss allowances and travelling and subsistence allowances as they think appropriate.

### **Pensions, allowances and gratuities for staff**

**32.**—(1) Subject to the following provisions of this article, the Board of Governors shall have power to pay such sum or sums by way of pension, allowance or gratuity as they may think fit to—

- (a) any member of the staff of the College, on his retirement, through age or permanent incapacity, from the employment of the Board of Governors; or
- (b) the surviving spouse or any dependant of any such member in the event of the death of the member in the employment of the Board of Governors,

in respect of any period of such member's service in the employment of the Board of Governors or their predecessors.

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(3) 1989 c. 40 to which no relevant amendments have been made.

(2) In paragraph (1) the reference to the permanent incapacity of a member of the staff of the College is a reference to a disability of mind or body of such a nature or to such an extent as, in the opinion of the Board of Governors, renders that member permanently incapable of continuing to serve efficiently in their employment.

(3) A pension, allowance or gratuity under this article shall not be payable in respect of any period of service which is reckoned for the purpose of any other person, allowance, gratuity, or other like benefit, payable:

- (a) out of any superannuation scheme or fund established by or under any enactment; or
- (b) directly or indirectly out of monies provided by Parliament or by a local authority.

(4) In paragraph (3) the reference to “any other pension” does not include a retirement pension under Part II of the Social Security Contributions and Benefits Act 1992<sup>(4)</sup> and the reference to “like benefit” does not include any other benefit under that Act.

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<sup>(4)</sup> 1992 c. 4.