



CHAPTER vii.

An Act to enable the mayor aldermen and burgesses of the borough of Colne to acquire the undertaking of the Colne and Trawden Light Railways Company and for other purposes. A.D. 1913.
[4th July 1913.]

WHEREAS the borough of Colne in the county palatine of Lancaster is a municipal borough under the local government of the mayor aldermen and burgesses of the borough (in this Act referred to as “the Corporation” and “the borough” respectively) and the Corporation acting by the town council are the urban district council for the borough and the following Acts and Orders are in force within the borough (that is to say):—

The Colne Gas Act 1877;
The Colne and Marsden Local Board Act 1881;
The Colne Corporation Act 1897;
The Colne Electric Lighting Order 1898;
The Colne Corporation Order 1903;
The Colne Corporation Act 1905;

each of which Acts and Orders is in this Act referred to as the Act or Order of the year in which it was passed:

And whereas the Colne and Trawden Light Railways Company (in this Act referred to as “the Company”) were incorporated by the Colne and Trawden Light Railways Order 1901 (in this Act referred to as “the 1901 Order”) and pursuant to the provisions thereof have constructed and are the owners in possession of and are working the light railway undertaking authorised by the said Order of 1901 and the Colne and Trawden Light Railways (Capital and Further Powers Amendment) Order 1902 and the Colne and Trawden Light

A.D. 1913. Railways (Acquisition of Lands Amendment) Order 1903 partly within the borough of Colne and partly within the urban district of Trawden :

And whereas by article 92 of the 1901 Order the local authorities in whose districts the railways are situate may if each local authority respectively by special resolution so decide serve on the Company within certain periods therein named notice in writing requiring the Company to sell and thereupon the Company shall sell to them the undertaking upon terms of paying the fair market value thereof as a going concern but without any allowance for compulsory purchase such value in case of difference to be determined by arbitration :

And whereas by article 93 of the same Order the Company may at any time with the consent of the Board of Trade sell the undertaking to any company or person or may with the like consent sell so much of the same as is within the district of any local authority to such authority if such authority shall have decided by special resolution to make such purchase :

And whereas the Company are desirous of selling their undertaking and the Corporation have expressed their willingness to purchase the same and by special resolution passed at a special meeting of the town council on the thirtieth day of October 1912 did resolve to purchase the whole of the undertaking of the Company upon the terms specified in article 92 above recited :

And whereas by agreement dated the fourth day of February 1913 and made between the Company and the Corporation it has been agreed that the Company shall sell and the Corporation shall purchase the undertaking as defined in the said agreement on the terms and subject to the conditions therein set forth :

And whereas it is expedient that the undertaking of the Company should be transferred to and vested in the Corporation and that the said agreement should be confirmed and that further powers should be conferred upon the Corporation in connexion with the carrying on of the said undertaking and that provision should be made for the winding up and dissolution of the Company :

And whereas the Corporation are supplying electricity for all purposes under the powers conferred upon them by the Order of 1898 and it is expedient that the area of supply of

the Corporation for such purposes should be extended so as to include the parish of Foulridge in the county palatine of Lancaster : A.D. 1913.

And whereas the parish council of Foulridge have consented to the said parish being included in the area of supply of the Corporation :

And whereas it is expedient that the Corporation should be authorised to borrow the moneys required for the purposes of this Act and that repayment thereof should be spread over a term of years and that the further powers herein contained should be conferred upon the Corporation :

And whereas in relation to the promotion of the Bill for this Act the requirements of the Borough Funds Acts 1872 and 1903 have been observed and the approval of the Local Government Board has been obtained :

And whereas the purposes of this Act cannot be effected without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and be it enacted by the King's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows (that is to say) :—

1. This Act may be cited as the Colne Corporation Act 1913. Short title.

2. In construing this Act the following words and expressions have the meanings hereby severally assigned to them unless there be something in the subject or context repugnant to such construction (that is to say) :— Interpretation.

“The borough” means the borough of Colne;

“The town council” means the town council of the borough;

“The borough fund” and “the borough rate” mean respectively the borough fund and the borough rate of the borough;

“The town clerk” means the town clerk to the Corporation;

“The Company” means the Colne and Trawden Light Railways Company;

“The undertaking of the Company” means the light railways and the lands buildings works materials and plant of

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the Company as defined in the agreement set forth in the schedule to this Act and all the rights powers and privileges of the Company in reference to such lands buildings works materials and plant ;

“The appointed day” means the day on which the undertaking of the Company shall be transferred to and vested in the Corporation under the provisions of this Act;

“Statutory borrowing power” means any power whether or not coupled with a duty of borrowing or continuing on loan or re-borrowing money or of redeeming or paying off or creating or continuing payment of or in respect of any annuity rentcharge rent or other security representing or granted in lieu of consideration money for the time being existing under any Act of Parliament public or local passed or to be passed or under any Provisional Order confirmed by Act of Parliament passed or to be passed or under any order or sanction of any Government department made or given or to be made or given by authority of any Act of Parliament passed or to be passed;

“Statutory securities” means any security in which trustees are for the time being by or under any Act of Parliament passed or to be passed authorised to invest trust money and any mortgage bond debenture debenture stock stock or other security authorised by or under any Act of Parliament passed or to be passed of any county council or municipal corporation or other local authority as defined by section 34 of the Local Loans Act 1875 but does not include annuities rentcharges or securities transferable by delivery or any securities of the Corporation.

Confirmation
of scheduled
agreement.

3. The agreement dated the fourth day of February one thousand nine hundred and thirteen and made between the Company and the Corporation as set forth in the schedule to this Act is hereby confirmed and made binding on the Company and the Corporation and may and shall be carried into effect accordingly.

Transfer of
undertaking
of Company
to Corpora-
tion.

4. Upon payment of the purchase money and completion of the sale in accordance with the agreement aforesaid the undertaking of the Company shall thenceforth be transferred to and vested in the Corporation freed and discharged from any

mortgage debenture charge or other incumbrance affecting the undertaking or any part thereof but nothing herein contained shall prejudice or affect any rights or claims of any mortgagee debenture holder or other incumbrancer of the Company against the purchase money. A.D. 1913.

5. The production of a King's printer's copy of this Act duly stamped together with a receipt for the purchase money purporting to be signed by two directors of the Company or by the cashier of the Bank of England shall (unless it be proved that the purchase money has not been paid) be conclusive evidence in all courts and proceedings of the transfer. Proof of transfer and vesting.

6. The receipt in writing of two directors of the Company for the purchase price of the undertaking of the Company or for any other sum of money to be paid to the Company by the Corporation in pursuance of this Act shall effectually discharge the Corporation from the sum which in such receipt shall be acknowledged to have been received and from being answerable or accountable for the loss misapplication or non-application thereof. Provided that if from any cause the Corporation are unable to obtain such receipt they may pay the money into the Bank of England in the name of the Paymaster-General for and on behalf of the Supreme Court to an account to be opened in the matter of this Act and a receipt shall be given to the Corporation by the cashier for the money which shall have the same effect as the receipt of the two directors of the Company. Receipt for purchase money.

7. If on the appointed day any action arbitration or other proceeding or any cause of action arbitration or proceeding is pending or existing by or against or in favour of the Company in respect of the undertaking of the Company the same shall not abate or be discontinued or in anywise prejudicially affected by reason of the transfer of the undertaking of the Company to the Corporation or of anything in this Act but the same may be continued prosecuted and enforced by or against or in favour of the Corporation as and when it might have been continued prosecuted and enforced by or against or in favour of the Company if this Act had not been passed. Actions &c. pending not to abate.

8. Subject to the provisions of this Act all purchases sales conveyances grants assurances deeds contracts bonds and agreements entered into or made and subsisting in respect of the undertaking of the Company on the appointed day and then Contracts to be binding upon Corporation.

A.D. 1913. in force shall be as binding and of as full force and effect in every respect against or in favour of the Corporation and may be enforced as fully and effectually as if instead of the Company the Corporation had been a party thereto.

Maintenance
of under-
taking by
Company till
transfer.

9. Until the transfer the undertaking of the Company shall be fully maintained and carried on by the Company as heretofore in the ordinary course of business with all due care and management but the Company shall not without the previous consent of the Corporation raise any further capital or make or enter into any contract agreement or other obligation except such as shall be in the ordinary course of the maintenance of the works and the proper conduct of the undertaking.

Books and
documents
to remain
evidence.

10. All documents books and writings which if the transfer had not been made would have been receivable in evidence in respect of any matter for or against the Company shall after the transfer be admitted in evidence in respect of the same and the like matter for or against the Corporation.

Winding up
of Company.

11. After the transfer of their undertaking to the Corporation the Company shall as soon as may be found expedient be wound up in the same manner and with the same incidents as if the Company were a company registered in England under the Companies (Consolidation) Act 1908 and for the purpose of calling and holding meetings and passing resolutions and other matters incident to such winding up resolutions of meetings of the Company convened and held in pursuance of and in accordance with the provisions contained in the Order of 1901 and the enactments incorporated therewith may and shall take effect as resolutions passed under the provisions of the said Companies Act by a company so registered.

Corporation
may carry on
undertaking.

12. From and after the appointed day the Corporation may carry on the undertaking so acquired by them and may exercise all the rights powers and authorities other than those relating to capital conferred on and shall be liable to all the duties and obligations imposed on the Company by the 1901 Order and the Orders amending the same as if the Corporation had been therein named as the undertakers instead of the Company.

Maintenance
and renewal
of light
railway.

13. The Corporation may reconstruct and renew the light railway track including the rails overhead equipment and fittings and may provide and equip new tramcars or other vehicles for the conveyance of passengers goods and parcels.

14.—(1) Subject to the provisions of this Act the Corporation may with the consent of the Board of Trade enter into and carry into effect contracts and arrangements with any local authority company or person owning or leasing any tramway or light railway with respect to the running over working use management and maintenance by the contracting parties of all or any of their respective tramways or light railways and works connected therewith or any part or parts thereof respectively the supply, by the working party under and during the continuance of any such agreement for all or any of the respective tramways or light railways of the contracting parties or for any tramways light railways or railless traction system leased to either of such parties of rolling stock plant and machinery and for electrical energy or power necessary for the purposes of such agreement the appointment and removal of officers and servants the payments to be made and the conditions to be performed in respect of such working use management and maintenance the interchange accommodation conveyance transmission and delivery of traffic coming from or destined for the respective undertakings of the contracting parties and the division and apportionment of the revenue arising from such traffic and the payment of any moneys by way of fixed or contingent rent or in a lump sum or otherwise.

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Power to
lease and
make agree-
ments for
working
&c. of under-
taking and
for running
powers.

(2) The Corporation and every local authority company or person working or using any tramway or light railway under the powers of this section shall be subject to all the regulations and restrictions so far as the same are applicable to which the working and user of such tramway or light railway by or in the hands of the promoters of the same is subjected by the Act or Order authorising the construction thereof or by any byelaw or regulation made under such Act or Order.

(3) No contract or agreement under this section shall extend for a period beyond twenty-one years from the making thereof. On the termination of any such agreement a new contract or agreement with or without modification for such limited period as aforesaid may be entered into between the parties and so on from time to time as occasion may arise.

(4) Any difference or dispute as to the construction of or in any way arising out of any such contract or agreement shall be referred to arbitration and section 33 of the Tramways Act 1870 shall apply to any such arbitration.

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As to use
of posts by
Postmaster-
General.

15.—(1) The Postmaster-General may in any street or public road or part of a street or public road in which he is authorised to place a telegraph use for the support of such telegraph any posts and standards (with the brackets connected therewith) erected in any such street or public road by the Company or the Corporation in connexion with the railways authorised by the 1901 Order and the Orders amending the same and may lengthen adapt alter and replace such posts standards and brackets for the purpose of supporting any telegraph and from time to time may alter any telegraph so supported subject to the following conditions:—

- (a) In placing maintaining or altering such telegraph no obstruction shall be caused to the traffic along or the working or user of the railways:
- (b) The Postmaster-General shall give to the Corporation not less than twenty-eight days' notice in writing (accompanied by sufficient plans) of his intention to exercise any of the powers of this section and shall in such notice specify the streets or public roads or parts of streets or public roads along which it is proposed to exercise such powers and the manner in which it is proposed to use the posts standards and brackets and also the maximum strain and the nature and direction of such strain Any difference as to any matter referred to in such notice shall be determined as herein-after provided:
- (c) The plans to be sent by the Corporation to the Board of Trade as by subsection (3) of section 40 (As to posts standards and brackets) of the 1901 Order provided shall show all alterations of posts standards and brackets and arrangements as to support and position of wires proposed under the powers of this section and the provisions of the said subsection as to approval of plans shall apply accordingly:
- (d) Unless otherwise agreed between the Postmaster-General and the Corporation the Postmaster-General shall pay the expense of lengthening adapting altering or replacing under the provisions of this section any post standard or bracket and the expense of providing and maintaining any appliances or making any alteration rendered necessary in consequence of the exercise

of the powers of this section for the protection of the public or the unobstructed working or user of the railways or to prevent injurious affection of the Postmaster-General's telegraphs or any telegraphic or telephonic line or electrical apparatus of the Corporation or by any regulations which may from time to time be made by the Board of Trade arising through the exercise by the Postmaster-General of the powers conferred by this section: A.D. 1913:

- (e) Unless otherwise agreed or in case of difference determined as herein-after provided all telegraphs shall be attached to the posts standards or brackets below the level of the trolley wires and on the side of such posts or standards farthest from the trolley wires. Any difference as to the conditions of attachment shall be determined as herein-after provided:
- (f) Unless otherwise agreed with the approval of the Board of Trade no telegraph shall be attached to any post or standard placed in or near the centre of any street or public road:
- (g) The Postmaster-General shall cause all attachments to posts standards or brackets used by him under the powers of this section to be from time to time inspected so as to satisfy himself that the said attachments are in a proper condition and state of repair:
- (h) The Postmaster-General shall make good to the Corporation and shall indemnify them against any loss damage or expense which may be incurred by them through or in consequence of the exercise by the Postmaster-General of the powers conferred upon him by this section unless such loss damage or expense be caused by or arise from gross negligence on the part of the Corporation their officers or servants:
- (i) The Postmaster-General shall make such reasonable contribution to the original cost of providing and placing any post standard or bracket used by him and also to the annual cost of the maintenance and renewal of any such post standard or bracket as having regard to the respective interests of the Corporation and the Postmaster-General in the use of

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the post standard or bracket and to all the circumstances of each case may be agreed upon between the Postmaster-General and the Corporation or failing agreement determined as herein-after provided :

(j) The Corporation shall not be liable for any interference with or damage or injury to the telegraphs of the Postmaster-General arising through the exercise by the Postmaster-General of the powers conferred by this section and caused by the maintaining and working of the railways or by any accident arising thereon or by the authorised use by the Corporation of electrical energy unless such interference damage or injury be caused by gross negligence on the part of the Corporation their officers or servants :

(k) If it should become necessary or expedient to alter the position of or remove any post standard or bracket the Postmaster-General shall upon receiving twenty-eight days' notice thereof at his own expense alter or remove the telegraph supported thereby or at his option retain the post standard or bracket and pay the Corporation the value of the same. Provided that if the Corporation or the road authority object to the retention of the post standard or bracket by the Postmaster-General a difference shall be deemed to have arisen and shall be determined as herein-after provided.

(2) Nothing in this section contained shall prevent the Corporation from using their posts standards or brackets for the support of any of their electric wires and apparatus whether in connexion with the railways or with their other municipal undertakings or shall take away any existing right of the Corporation of using or permitting the use by any company or person of their posts standards or brackets in connexion with the lighting of the streets or otherwise. Provided that any difference between the Postmaster-General and such company or person in relation to the use of the posts standards or brackets by the Postmaster-General and by such company or person respectively shall be determined as herein-after provided.

(3) Any difference arising under this section shall be determined in manner provided by sections 4 and 5 of the Telegraph Act 1878 for the settlement of differences relating to a street or public road.

(4) In this section—

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The expression “the Corporation” includes their lessees;

The expression “telegraph” has the same meaning as in the Telegraph Act 1869;

Other expressions have the same meaning as in the Telegraph Act 1878.

16. The Order of 1898 shall be read and have effect as if the parish of Foulridge in the county palatine of Lancaster had been included in the First Schedule to that Order annexed and for the purposes of such Order such parish shall be deemed to form part of the area comprised in the said schedule and therein defined as the area of supply of the Corporation:

Extension of area of supply for electricity purposes.

Provided that the provisions of the schedule to the Electric Lighting (Clauses) Act 1899 (with the exception of sections 83 and 84 of that schedule) shall extend and apply to the supply of electrical energy and to the exercise of the powers of the said Order by the Corporation within the said parish and shall within such parish control and supersede such of the provisions of the said Order as are inconsistent therewith.

17. The street or road throughout which the Corporation are to lay down suitable and sufficient distributing mains for the purposes of general supply within a period of two years after the passing of this Act as mentioned in section 21 of the schedule to the Electric Lighting (Clauses) Act 1899 is the Skipton Road from the borough boundary at Church Bridge to the “Hare and Hounds” Inn at Foulridge.

Compulsory works.

18. For the better and more effectually carrying into execution the powers and duties of the Corporation under the Public Libraries Acts 1892 to 1901 those Acts shall be read and have effect as if the limit thereby imposed on the amount authorised to be levied by or added to a rate were extended so as not to exceed the sum of twopence in the pound.

Limit of library rate extended.

19. The Corporation may in addition to any moneys they are authorised to borrow or which they may be authorised to borrow under the provisions of the Public Health Acts or any public general Act borrow at interest for the purposes set forth in the first column of the following table on the respective securities set forth in the second column thereof any sums not exceeding the respective sums set forth in the third column thereof and all moneys borrowed under the powers of this section

Power to borrow.

A.D. 1913. shall be repaid within the respective periods (in this Act referred to as "the prescribed period") set forth in the fourth column of the said table (that is to say):—

Purposes.	Security.	Amount.	Period for Repayment.
For and in relation to the purchase of the undertaking of the Company and for and in defraying the costs charges and expenses incident to such purchase (other than the costs of this Act).	The revenue of the light railway undertaking of the Corporation and the district fund and general district rate.	The sum requisite.	Thirty years from the date or dates of borrowing.
For working capital - -	The same - -	2,000%.	Ten years from the date or dates of borrowing.
For reconstruction and improvements with the sanction of the Board of Trade.	The same - -	10,000%.	Such period not exceeding sixty years as the Board of Trade may sanction.
For paying the costs charges and expenses of this Act as herein provided.	The same - -	The sum requisite.	Five years from the passing of this Act.

Certain provisions of Public Health Acts not to apply.

20. In calculating the amount which the Corporation may borrow under the provisions of the Public Health Acts any sums which the Corporation may borrow under or for the purposes of this Act shall not be reckoned and the power of the Corporation of borrowing and re-borrowing for the purposes of this Act shall not be in any way restricted by any of the provisions or regulations of the Public Health Acts.

Power to borrow additional moneys.

21. The Corporation independently of any other borrowing power may from time to time with the sanction of the Board of Trade borrow at interest such further moneys as may be required for the purposes of their light railway undertaking on the security of the revenue of the light railway undertaking and the district fund and general district rate and such moneys shall be paid off within such period (in this Act referred to as "the prescribed period") not exceeding sixty years as the Board of Trade may prescribe.

Sinking fund.

22.—(1) If the Corporation determine to repay by means of a sinking fund any moneys borrowed by virtue of this Act or the 1905 Act such sinking fund shall be formed or maintained either—

(a) by payment to the fund throughout the prescribed period of such equal annual sums as will together amount to

the moneys for the repayment of which the sinking fund is formed. A sinking fund so formed is herein-after called "a non-accumulating sinking fund"; or

- (b) by payment to the fund throughout the prescribed period of such equal annual sums as with accumulations at a rate not exceeding three pounds per centum per annum will be sufficient to pay off within the prescribed period the moneys for the repayment of which such sinking fund is formed. A sinking fund so formed is herein-after called "an accumulating sinking fund."

(2) Every sum paid to a sinking fund and in the case of an accumulating sinking fund the interest on the investments of the sinking fund shall unless applied in payment of the loan in respect of which the sinking fund is formed be immediately invested in any statutory security the Corporation being at liberty from time to time to vary and transpose such investments.

(3) In the case of a non-accumulating sinking fund the interest on the investments of the fund may be applied by the Corporation towards the equal annual payments to the fund.

(4) The Corporation may at any time apply the whole or any part of the sinking fund in or towards the discharge of the money for the repayment of which the fund is formed. Provided that in the case of an accumulating sinking fund the Corporation shall pay into the fund each year and accumulate during the residue of the prescribed period a sum equal to the interest which would have been produced by such sinking fund so applied if invested at the rate per centum per annum on which the annual payments to the sinking fund are based.

(5)--(a) If and so often as the income of an accumulating sinking fund is not equal to the income which would be derived from the amount invested if the same were invested at the rate per centum per annum on which the annual payments to the fund are based any deficiency shall be made good by the Corporation:

(b) If and so often as the income of an accumulating sinking fund is in excess of the income which would be derived from the amount invested if the same were invested at the rate per centum per annum on which the annual payments to the fund are based any such excess may be applied towards such annual payments.

(6) Any expenses connected with the formation maintenance investment application management or otherwise of any sinking

A.D. 1913. fund under this Act shall be paid by the Corporation in addition to the payments provided for by this Act.

(7) If it appears to the Corporation at any time that the amount in the sinking fund with the future payments thereto in accordance with the provisions of this Act together with the accumulations thereon (in the case of an accumulating sinking fund) will probably not be sufficient to repay within the prescribed period the moneys for the repayment of which the sinking fund is formed it shall be the duty of the Corporation to make such increased payments to the sinking fund as will cause the sinking fund to be sufficient for that purpose. Provided that if it appears to the Local Government Board that any such increase is necessary the Corporation shall increase the payments to such extent as the Board may direct.

(8) If the Corporation desire to accelerate the repayment of any loan they may increase the amounts payable to any sinking fund.

(9) If the amount in any sinking fund with the future payments thereto in accordance with the provisions of this Act together with the accumulations thereon (in the case of an accumulating fund) will in the opinion of the Local Government Board be more than sufficient to repay within the prescribed period the moneys for the repayment of which the sinking fund is formed the Corporation may reduce the payments to be made to the sinking fund either temporarily or permanently to such amounts as will in the opinion of the Local Government Board be sufficient to repay within the prescribed period the moneys for the repayment of which the sinking fund is formed.

(10) If the amount in any sinking fund at any time together with the probable accumulations thereon (in the case of an accumulating sinking fund) will in the opinion of the Local Government Board be sufficient to repay the loan in respect of which it is formed within the prescribed period the Corporation may with the consent of that Board discontinue the annual payments to such sinking fund until the Local Government Board shall otherwise direct.

(11) Any surplus of any sinking fund remaining after the discharge of the whole of the moneys for the repayment of which it was formed shall be applied to such purpose as the Corporation with the consent of the Local Government Board may determine.

23.—(1) Where the Corporation are authorised by any statutory borrowing power to raise money for any purpose they may instead of exercising such borrowing power by the issue of any fresh security in respect thereof exercise the said power and raise the said money either wholly or partially by using for such purpose so much of any money for the time being forming part of a sinking fund as shall be available for the repayment of—

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Power to use
sinking fund
instead of
borrowing.

(a) a loan which is secured by a charge on the same rate fund or revenue as would be specifically chargeable as the security for the repayment of a loan under the statutory borrowing power if the same were raised by the issue of a fresh security and which is not shown by the deed to be raised in exercise of a particular borrowing power specified therein; or

(b) moneys borrowed and charged upon all the revenues of the Corporation in manner provided by section 115 (Security for principal moneys) of the Act of 1905 and not shown by the deed to be raised in exercise of a particular borrowing power specified therein.

(2) The Corporation when exercising the powers conferred on them by this section shall—

(a) withdraw from the sinking fund a sum equal to the amount of the statutory borrowing power proposed to be exercised by the user of moneys from such sinking fund;

(b) credit such sinking fund with the repayment of an amount of the principal moneys for the repayment of which the fund is established equal to the sum withdrawn from the sinking fund and thereupon the amount so credited shall be deemed to be principal moneys discharged by application of the sinking fund;

(c) debit the account of the statutory borrowing power proposed to be exercised with an amount of the principal moneys equal to the sum withdrawn from such sinking fund and thereupon the statutory borrowing power shall be deemed to have been exercised as fully as if the said amount had been raised by the issue of a fresh security and the provisions of any enactment as to the repayment and re-borrowing of sums raised under the statutory borrowing power shall apply thereto accordingly.

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(3) The provisions of this section shall not apply to any sinking fund formed under the Local Loans Act 1875.

(4) The Corporation shall furnish all such information (if any) to the Local Government Board with regard to the exercise of the powers contained in this section as that Board shall require.

(5) Section 114 (Power to use sinking fund instead of borrowing) of the Act of 1905 is hereby repealed.

Return to
Local
Government
Board.

24.—(1) The town clerk shall within twenty-one days after the thirty-first day of March in each year if during the twelve months next preceding the said thirty-first day of March any sum is required to be paid as an instalment or annual payment or to be appropriated or to be paid to a sinking fund in pursuance of the provisions of this Act or in respect of any money raised under any statutory borrowing power and not raised by the issue of Corporation stock and at any other time when the Local Government Board may require such a return to be made transmit to the Local Government Board a return in such form as may be prescribed by that Board and if required by that Board verified by statutory declaration of the town clerk showing for the year next preceding the making of such return or for such other period as the Board may prescribe the amounts which have been paid as instalments or annual payments and the amounts which have been appropriated and the amounts which have been paid to or invested or applied for the purpose of the sinking fund and the description of the securities upon which any investment has been made and the purposes to which any portion of the sinking fund or investment or of the sums accumulated by way of compound interest has been applied during the same period and the total amount (if any) remaining invested at the end of the year and in the event of his failing to make such return the town clerk shall for each offence be liable to a penalty not exceeding twenty pounds to be recovered by action on behalf of the Crown in the High Court and notwithstanding the recovery of such penalty the making of the return shall be enforceable by writ of Mandamus to be obtained by the Local Government Board out of the High Court.

(2) If it appears to the Local Government Board by that return or otherwise that the Corporation have failed to pay any instalment or annual payment required to be paid or to appropriate any sum required to be appropriated or to set aside any sum required for any sinking fund (whether such instalment or

annual payment or sum is required by the Act in pursuance of which the moneys are raised or by the Local Government Board in virtue thereof to be paid appropriated or set apart) or have applied any portion of any sinking fund to any purposes other than those authorised the Local Government Board may by order direct that the sum in such order mentioned not exceeding double the amount in respect of which default has been made shall be paid or applied as in such order mentioned and any such order shall be enforceable by writ of Mandamus to be obtained by the Local Government Board out of the High Court. A.D. 1913.

25.—(1) Any mortgagee of the Corporation by virtue of this Act may enforce the payment of arrears of interest or of principal or of principal and interest due on their mortgages by the appointment of a receiver. Appoint-
ment of
receiver.

The amount of arrears of principal due to such mortgagee or in the case of a joint application by two or more mortgagees to such mortgagees collectively to authorise the appointment of a receiver shall not be less than one thousand pounds in the whole.

(2) The application for the appointment of a receiver shall be made to the High Court.

26.—(1) The Corporation shall have power—

- (a) to borrow for the purpose of paying off any moneys previously borrowed under any statutory borrowing power which are intended to be forthwith paid; or
- (b) to borrow in order to replace moneys which during the previous twelve months have been temporarily applied from other funds of the Corporation in repaying moneys previously borrowed under any statutory borrowing power and which at the time of such repayment it was intended to replace by borrowed moneys.

Power to
re-borrow.

(2) Any moneys borrowed under this section shall for the purposes of repayment be deemed to form part of the original loan and shall be repaid within that portion of the period prescribed for the repayment of that loan which remains unexpired and the provisions which are for the time being applicable to the original loan shall apply to the moneys borrowed under this section.

(3) The Corporation shall not have power to borrow for the purpose of making any payment to a sinking fund or of paying

A.D. 1913. any instalment or making any annual payment which has or may become due in respect of borrowed moneys.

(4) The Corporation shall not have power to borrow in order to replace any moneys previously borrowed which have been repaid—

(a) by instalments or annual payments; or

(b) by means of a sinking fund; or

(c) out of moneys derived from the sale of land; or

(d) out of any capital moneys properly applicable to the purposes of the repayment other than moneys borrowed for that purpose.

(5) Section 118 (Power to re-borrow) of the 1905 Act is hereby repealed.

Application
of parts of
1905 Act.

27. The following sections of the 1905 Act shall apply to moneys borrowed under this Act as if the same had been in this Act enacted (namely):—

Section 110 (Mode of raising money):

Section 112 (Provisions of Public Health Act as to mortgages to apply):

Section 117 (Mode of payment off of money borrowed):

Section 119 (Protection of lender from inquiry):

Section 120 (Corporation not to regard trusts):

Section 122 (Application of money borrowed).

Application
of revenue of
light railway
undertaking.

28. The Corporation shall apply all money from time to time received by them in respect of their light railway undertaking except borrowed money and money properly applicable on capital account as follows:—

First In payment of the working and establishment expenses and cost of maintenance of the light railway undertaking;

Secondly In payment of the interest on moneys borrowed by the Corporation for the purposes of the light railway undertaking;

Thirdly In providing the requisite instalments appropriations or payments in respect of moneys borrowed for the purposes of the light railway undertaking;

Fourthly In extending and improving (if the town council think fit) any works for the purposes of the light railway undertaking;

Fifthly In providing a reserve fund (if the town council think fit) by setting aside such money as they think reason-

able and investing the same and the resulting income thereof in statutory securities and accumulating the same at compound interest until the fund so formed amounts to a sum equal to ten per centum of the capital expended on the undertaking which fund shall be applicable to answer any deficiency at any time happening in the income of the Corporation from the light railway undertaking or to meet any extraordinary claim or demand at any time arising against the Corporation in respect of the light railway undertaking or for the payment of the cost of renewing any part of the works forming part thereof and so that if that fund be at any time reduced it may thereafter be again restored to the prescribed maximum and so from time to time as often as such reduction happens Provided that resort may be had to the reserve fund under the foregoing provisions although such fund may not at the time have reached or may have been reduced below the prescribed maximum:

A.D. 1913.

And the Corporation shall carry to the district fund so much of any balance remaining in any year of the said moneys received (together with the interest on the reserve fund when such fund amounts to the prescribed maximum) as may in the opinion of the Corporation not be required for carrying on the light railway undertaking and paying the current expenses connected therewith.

29. If in any year the amount of the revenue of the light railway undertaking of the Corporation actual or estimated shall be insufficient for the payment of the charges thereon the deficiency shall be made good by an increase of the general district rate made within one year after such deficiency has been ascertained or estimated and the Corporation in preparing the estimates of the amount required in their judgment to be raised by means of a general district rate for the purposes of the district shall include therein such sum (if any) as in their judgment is necessary to be provided in aid of any deficiency from time to time arising or expected to arise as aforesaid in the revenue of such undertaking.

Provision
in case of
deficiency of
revenue of
light railway
under-
taking.

30. The Corporation shall keep the accounts in respect of their light railway undertaking separate from all their other accounts distinguishing therein capital from revenue.

Separate
accounts to
be kept.

31. The accounts of the receipts and expenditure of the Corporation under this Act shall be audited examined and

Audit of
accounts.

A.D. 1913. — published in like manner and with the same consequences as the other accounts of the Corporation are audited examined and published under the Municipal Corporations Act 1882.

Inquiries
by Local
Government
Board.

32.—(1) The Local Government Board may direct any inquiries to be held by their inspectors which they may deem necessary in regard to the exercise of any powers conferred upon them or the giving of any consents under this Act and the inspectors of the Local Government Board shall for the purposes of any such inquiry have all such powers as inspectors of the Local Government Board have for the purposes of inquiries directed by that Board under the Public Health Act 1875.

(2) The Corporation shall pay to the Local Government Board any expenses incurred by that Board in relation to any inquiries referred to in this section including the expenses of any witnesses summoned by the inspector holding the inquiry and a sum to be fixed by that Board not exceeding three guineas a day for the services of such inspector.

Costs of Act.

33. All the costs charges and expenses preliminary to and of and incidental to the preparing applying for obtaining and passing of this Act or otherwise in relation thereto as taxed by the taxing officer of the House of Lords or of the House of Commons shall be paid by the Corporation out of the district fund and general district rate or out of moneys borrowed under the provisions of this Act.

The SCHEDULE referred to in the foregoing Act.

A.D. 1913.

AGREEMENT made the fourth day of February 1913 between THE COLNE AND TRAWDEN LIGHT RAILWAYS COMPANY (herein called "the Company") of the one part and THE MAYOR ALDERMEN AND BURGESSES OF THE BOROUGH OF COLNE (herein called "the Corporation.") of the other part.

WHEREAS the Company were incorporated by the Colne and Trawden Light Railways Order 1901 and at the date hereof are the owners in possession of the light railway undertaking authorised by the said Order of 1901 and the Colne and Trawden Light Railways (Capital and Further Powers Amendment) Order 1902 and the Colne and Trawden Light Railways (Acquisition of Lands Amendment) Order 1903 partly within the said borough and partly within the urban district of Trawden :

And whereas it is provided by article 92 of the said Order of 1901 that subject thereto the local authorities in whose districts the railways are situate may after the expiration of a period of twenty-six years from the commencement of such Order or after the expiration of every subsequent period of seven years require the Company to sell to them and thereupon the Company shall sell to them the undertaking upon terms of paying the fair market value thereof as a going concern but without any allowance for compulsory purchase such value in case of difference to be determined by arbitration as therein provided :

And whereas it is also provided by article 93 of the said Order of 1901 that the Company may at any time with the consent of the Board of Trade sell the undertaking to any company or person or may with the like consent sell so much of the undertaking as is within the district of any local authority to such authority if such authority shall have decided by special resolution to make such purchase :

And whereas the Company are willing to sell the undertaking aforesaid and the Corporation are willing to purchase the same and at a meeting of the council of the Corporation duly convened and held on the 30th day of October 1912 the council decided by special resolution to purchase the said undertaking upon the terms provided by article 92 aforesaid :

And whereas the Company and the Corporation have agreed to sell and purchase respectively the said undertaking for the consideration and upon the terms conditions and stipulations herein-after set forth

A.D. 1913. provided that all such statutory or other authority as may be requisite or necessary for giving effect thereto be procured and the Corporation are willing to apply for and use their best endeavours to obtain such authority :

Now therefore the Company for themselves and their assigns do hereby agree with the Corporation for themselves and their successors as follows (that is to say) :—

1. The Company shall sell and the Corporation shall purchase the undertaking aforesaid comprising all lands buildings works materials and plant whether fixed or movable and all permanent way engines and rolling stock and all other the real and personal property assets and effects of every nature whatsoever suitable to and used by the Company for the purposes of the undertaking aforesaid and all the rights powers and privileges vesting in or belonging to or had or enjoyed by the Company at the date of the transfer of the undertaking to the Corporation save and except the books and papers relating exclusively to the shareholders and constitution of the Company.

2.—(i) The purchase price to be paid by the Corporation shall be the fair market value of the undertaking as a going concern but without any allowance for compulsory purchase and such value shall be agreed between the Company and the Corporation or failing agreement shall be determined by a sole arbitrator agreed between the parties or in default of agreement nominated by the Board of Trade on the application of either party.

(ii) The Company shall within one month after the Bill mentioned in clause 10 hereof shall have received the Royal Assent deliver to the Corporation a schedule setting forth the lands buildings works materials and plant and the permanent way engines and rolling stock and all other the property assets and effects and the rights powers and privileges of the Company to be sold by them under the provisions of this agreement and the purchase price to be paid to them in respect thereof and if within one month after the delivery of such schedule the Company and the Corporation are unable to agree upon the value of the undertaking as provided in the last preceding clauses hereof then such value shall thereupon fall to be determined by arbitration as herein-before provided.

3. The completion of the said sale and purchase shall take place at the office of the solicitors to the Company on such day as may be agreed between the Corporation and the Company or failing agreement on the expiration of two months from the agreement or determination of the purchase price aforesaid (herein-after called "the appointed day") and on the appointed day the Corporation shall pay to the Company such purchase price and the Company shall if required by the Corporation execute all proper assurances of the premises purchased as

aforesaid and any such assurances shall be prepared by and at the expense of the Corporation. A.D. 1913.

4. The receipt in writing of any two or more of the directors of the Company for the amount of the purchase price or any part thereof shall be a sufficient discharge to the Corporation for the same and the Corporation shall not be bound or concerned to see to the application or be answerable for the misapplication or non-application thereof. Provided that if from any cause the Corporation are unable to obtain such receipt they may pay the money into the Bank of England in the name of the Paymaster-General for and on behalf of the Supreme Court to an account to be opened in the matter of the Act of Parliament giving effect to this agreement and a receipt given to the Corporation by the cashier for the money shall have the same effect as the receipt of the two directors of the Company.

5. Until the appointed day the Company shall subject to the provisions of this agreement fully maintain and carry on the undertaking according to their usual course of business heretofore with all due care and in accordance with their statutory powers duties and obligations but the Company shall not without the previous consent in writing of the Corporation raise any further capital or make or enter into any contract or other obligation except such as shall be in the ordinary course of the maintenance of the works and proper conduct of the undertaking.

6. All debts liabilities contracts pensions and obligations of the Company either pecuniary or otherwise and of every sort and kind including mortgage or debenture debts and the interest thereon which shall exist on the appointed day and are then unpaid undischarged unfulfilled or unsatisfied shall be carried out discharged fulfilled assumed paid or satisfied by the Company.

7. Subject to the provisions of this agreement all purchases sales conveyances grants assurances deeds contracts bonds and agreements entered into or made and subsisting in respect of the undertaking on the appointed day and then in force shall be transferred or assigned by the Company to the Corporation and shall be unreservedly adopted taken over and carried out by the Corporation and if on the appointed day any action or proceeding or any cause of action or proceeding is pending or existing by or against or in favour of the Company in respect of the undertaking the same shall not abate or be discontinued or in anywise affected prejudicially by reason of the transfer of the undertaking but the same may be continued prosecuted and enforced by or against or in favour of the Corporation in the same manner and to the same extent in which it might have been continued prosecuted and enforced by or against or in favour of the Company before the appointed day.

A.D. 1913.

8. If the Corporation shall not pay the said purchase price or consideration upon the appointed day as herein-before provided they shall pay to the Company interest thereon at the rate of four pounds per centum per annum until the date of actual payment.

9. A clause to be settled by the Company shall be inserted in the Bill mentioned in clause 10 hereof for winding up the affairs of the Company and carrying into effect the provisions of this agreement so far as they relate to the Company and after the appointed day and until the Company shall be finally wound up and dissolved the Company shall have access at all reasonable times to all books documents and accounts transferred under this agreement to the Corporation relating to the undertaking for the purpose of making up the accounts of the Company to the appointed day and for all other reasonable purposes in relation to the winding up aforesaid.

10. The Corporation shall in the session of Parliament 1913 promote a Bill for an Act to carry into effect the provisions of this agreement and shall use their best endeavours to obtain the enactment thereof in the said session and the Company shall as may be reasonably required by the Corporation and at the expense of the Corporation aid and assist and support the Corporation by information particulars evidence and otherwise in obtaining the passing of the Bill in both Houses of Parliament. The Bill shall contain all such provisions as are requisite necessary incident or consequent to give effect to this agreement and to make the same and the several provisions thereof binding upon the parties respectively and to enable each of them to perform and comply effectually with the respective duties and obligations contained or embodied therein or to be inferred reasonably from the several terms conditions and stipulations therein set forth.

11. The Company shall use their best endeavours to facilitate the passing of the Bill aforesaid and shall by themselves their officers and servants support the Bill by such evidence or otherwise as may be reasonably required by the Corporation and at the expense of the Corporation in order to meet the opponents to the Bill in respect of any of the provisions thereof and they shall in their own discretion if they so think fit and at their own expense appear before committees of both Houses of Parliament by counsel solicitors agents and witnesses in support thereof so as to procure the enactment of clauses confirming this agreement and of such other clauses and provisions of the Bill as may be necessary for giving effect thereto and other the clauses herein-before mentioned.

12. The Corporation shall bear and pay the costs charges disbursements and expenses incurred by them in connexion with the preparation execution and carrying into effect of this agreement and also the costs charges and expenses preliminary to and of and incidental to or connected

with the promotion of the Bill aforesaid Provided that when the Bill has received the Royal Assent and on the completion of the purchase the Company shall pay to the Corporation a sum of 100*l.* as and in respect of the amount attributable to and payable by the Company for the cost of promoting the Bill aforesaid and such sum of 100*l.* may be deducted by the Corporation from the purchase price aforesaid. A.D. 1913.

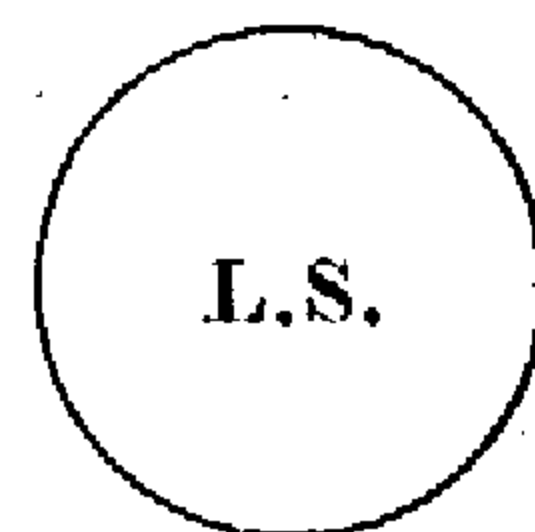
13. If at any stage of the proceedings of or relating to the consideration of the Bill aforesaid by Parliament the provisions of such Bill shall be in the opinion of the Corporation substantially altered varied or amended the Corporation may withdraw the said Bill from further consideration and thereupon this agreement and everything herein contained shall become null and void.

14. If any question shall arise in reference to the true construction of this agreement except such as may relate to the value of the undertaking as a going concern the same shall be referred to a single arbitrator to be appointed by the Board of Trade and shall be determined pursuant to the provisions of the Arbitration Act 1889.

In witness whereof the Company has caused its common seal and the Corporation has caused its corporate seal to be hereunto affixed the day and year first above written.

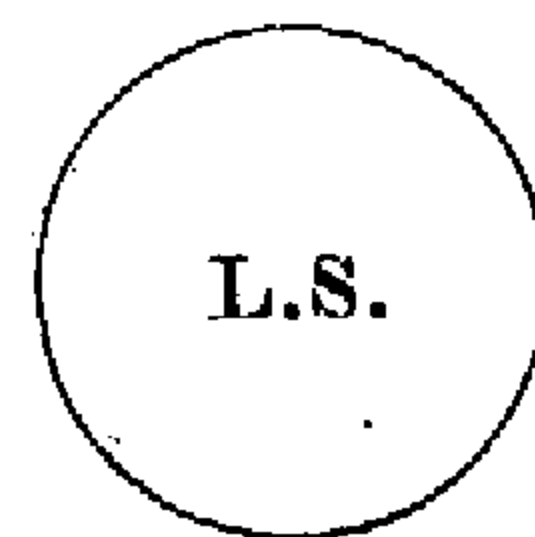
The common seal of the Colne and
Trawden Light Railways Company }
was hereunto affixed in the presence
of

HENRY WM. COLEMAN }
J. WM. LANDLESS } Directors.
JAS. B. PECK Secretary.



The common seal of the Mayor
Aldermen and Burgesses of the }
borough of Colne was hereunto
affixed in the presence of

TURNER HARTLEY
Mayor.
ALF. VARLEY
Town Clerk.



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