



## CHAPTER li.

An Act to provide for the transfer of the Undertaking of the Cowes Gas Company to the Cowes Urban District Council and to authorise the Council to supply Gas and for other purposes. A.D. 1897.  
—  
[3rd June 1897.]

**W**HEREAS the district of Cowes in the Isle of Wight and county of Southampton is an urban district within the meaning of the Local Government Act 1894 and is under the management and control of the Cowes Urban District Council (in this Act called “the Council”):

And whereas the Cowes Gas Company (in this Act called “the Company”) were incorporated under the Cowes Gas Act 1896 (herein-after called “the Act of 1896”) and were authorised to maintain and continue gasworks and to manufacture store and supply gas in the parishes of Cowes and Northwood in the Isle of Wight in the county of Southampton:

And whereas by section 82 of the Act of 1896 it is provided as follows viz. “(1) If the Council shall introduce a Bill into Parliament and bonâ fide promote the same in any of the next three available sessions of Parliament to empower them to purchase the undertaking of the Company the Company shall not oppose such Bill except in so far as may be necessary in order to secure the insertion therein of clauses to protect their interests with respect to such purchase and for that purpose the Company shall be at liberty to petition either or both Houses of Parliament and to appear on such petition by counsel agents and witnesses if they think fit And if the Council obtain an Act authorising such purchase and give a written notice of their intention to purchase within six months of the passing of such Act the Company shall at the expiration of such six months sell and transfer and the Council may purchase and acquire the undertaking property rights powers and privileges of the Company subject to all their existing mortgages obligations and liabilities of the undertaking:

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“ (2) Any such sale and purchase shall be for such price or  
“ consideration and on such terms and conditions as may be agreed  
“ upon between the Company and the Council or as failing such  
“ agreement shall be determined by arbitration in accordance with  
“ the provisions of the Lands Clauses Acts with reference to the  
“ purchase and taking of lands otherwise than by agreement and  
“ in the construction of the said provisions the expression ‘ the  
“ Promoters of the undertaking ’ shall mean the Council and the  
“ expression ‘ lands ’ shall mean the undertaking of the Company  
“ Provided that in addition to the sum to be paid by the Council  
“ to the Company under the foregoing provisions of this section  
“ the Council shall pay to the Company the actual costs of  
“ obtaining this Act but the arbitrator shall not in assessing the  
“ sum to be paid by the Council to the Company have regard to  
“ the fact that the Company is incorporated by Act of Parliament ” :

And whereas the Council have resolved to introduce the Bill for this Act to empower them to purchase the undertaking of the Company in accordance with the provisions of section 82 of the Act of 1896 and it is expedient that the powers in this Act granted with reference to such purchase should be conferred upon them :

And whereas an absolute majority of the whole number of the Council at a meeting held on the fifteenth day of October one thousand eight hundred and ninety-six after ten clear days notice by public advertisement of such meeting and of the purpose thereof in the Isle of Wight Herald a local newspaper published and circulating in the district of the Council such notice being in addition to the ordinary notices required for summoning such meeting resolved that the expense in relation to promoting the Bill for this Act should be charged on the general district fund or rate of the district :

And whereas such resolution was published twice in the Isle of Wight Herald a newspaper published and circulating in the district of the Council and has received the approval of the Local Government Board :

And whereas the propriety of the promotion of the Bill for this Act was confirmed by an absolute majority of the whole number of the Council at a further special meeting held in pursuance of a similar notice on the twenty-sixth day of January one thousand eight hundred and ninety-seven being not less than fourteen days after the deposit of the Bill for this Act in Parliament :

And whereas the owners and ratepayers of the district by resolution in the manner provided in the Third Schedule of the Public Health Act 1875 consented to the promotion of the Bill for this Act :

And whereas the objects aforesaid cannot be effected without the authority of Parliament: A.D. 1897.

May it therefore please Your Majesty that it may be enacted and be it enacted by the Queen'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 Cowes Urban District Council Gas Act 1897. Short title.

#### PART I.—PRELIMINARY.

2. This Act is divided into parts as follows:—

Division into parts.

Part I.—Preliminary.

Part II.—Transfer of Undertaking.

Part III.—Gas.

Part IV.—Financial.

Part V.—Miscellaneous.

3. The provisions of Part III. of this Act shall not take effect until after the transfer of the undertaking of the Company to the Council. Part III. not to take effect until transfer.

4. The following parts of Acts (so far as the same are applicable for the purposes and are not inconsistent with the provisions of this Act) are incorporated with this Act (namely):— Incorporation of Acts.

The Gasworks Clauses Act 1847 (except the provisions thereof with respect to the amount of profit to be received by the undertakers when the gasworks are carried on for their benefit and except section 38 relating to accounts);

The Gasworks Clauses Act 1871 (except section 7 relating to shareholders section 8 relating to the appointment of a receiver and section 35 relating to accounts &c.);

And those Acts so far as incorporated herewith shall apply to the gas undertaking of the Council.

5. The several words and expressions to which by the Acts partially incorporated with this Act meanings are assigned have in this Act the same respective meanings unless there is something in the subject or context repugnant to such construction Provided that in the Acts partially incorporated with this Act for the purposes of this Act— Interpretation of terms.

The expressions “the undertakers” and “the Company” mean the Council:

And in this Act unless the context otherwise requires—

The expression “the Council” means the Cowes Urban District Council;

A.D. 1897. The expression "the Act of 1896" means the Cowes Gas Act 1896;

The expression "the undertaking of the Company" means and includes all the gasworks engines mains pipes and machinery lands and buildings plant fixed and movable stock-in-trade gas coal and other stores and all other the real and personal property assets and effects of whatever nature and all the rights powers and privileges vested in or belonging to or had or enjoyed by the Company at the date of the transfer of the undertaking of the Company to the Council under the provisions of this Act except cash in hand or with their bankers book debts and sums received or due on credit or revenue account and except any profits then to be divided and also except the books and papers relating exclusively to the shareholders in and the constitution of the Company;

"The district fund" and "general district rate" mean respectively the district fund and the general district rate of the district of the Council:

And the expression "superior courts" or "court of competent jurisdiction" or any other like expression in this Act or the Acts partially incorporated herewith shall be read and have effect as if the debt or demand with respect to which the expression is used were a simple contract debt and not a debt or demand created by statute.

## PART II.—TRANSFER OF UNDERTAKING.

Company to  
sell their  
undertaking.

6. Within one month after the passing of this Act the Council shall give to the Company a written notice of their intention to purchase the undertaking of the Company on the first day of January one thousand eight hundred and ninety-eight (herein-after called "the date of transfer") and on that date the Company shall sell and transfer to the Council and the Council shall purchase and acquire the undertaking of the Company subject to all then existing mortgages and debentures affecting the same for such price or consideration being a sum in gross and on such terms and conditions as may be agreed upon between the Company and the Council or as failing such agreement shall be determined by arbitration in accordance with the provisions of the Lands Clauses Acts with reference to the purchase and taking of lands otherwise than by agreement And in the construction of the said provisions the expression "the promoters of the undertaking" shall mean the Council and the expression "lands" shall mean the undertaking of the Company Provided that in addition to the sum to be paid by the Council to the Company under the foregoing provisions of

this section the Council shall pay to the Company the actual costs of obtaining the Act of 1896 but the arbitrator arbitrators or umpire shall not in assessing the sum to be paid by the Council to the Company have regard to the fact that the Company is incorporated by Act of Parliament. A.D. 1897.

7. As from the date of transfer all the powers rights privileges and authorities of the Company under the Act of 1896 shall so far as not inconsistent with or varied by this Act be by virtue of this Act transferred to and vested in the Council and that Act shall be read and have effect as if the Council had been therein named instead of the Company subject nevertheless and according to the following exceptions and provisions (namely):— Application of Act of 1896.

(1.) The provisions of the Companies Clauses Consolidation Act 1845 and of the Companies Clauses Act 1863 incorporated with the Act of 1896 shall not apply to the Council;

(2.) None of the provisions of the Act of 1896 or of any Acts incorporated therewith in any manner relating to the share or loan capital of the Company or to any limitation of the amount of profit to be received by the Company or undertakers or to the constitution meetings or directors of the Company shall apply to the Council.

8. Until the date of transfer the undertaking of the Company shall be maintained and carried on by the Company as heretofore in the ordinary course of business but the Company shall not without the previous consent of the Council under the hand of their clerk make or enter into any contract agreement or obligation except such as shall be in the ordinary course of the maintenance of the works and the proper conduct of the undertaking. Mainten of under-taking by Company till transfer.

9. On payment by the Council of the purchase moneys payable by them to the Company in accordance with the provisions of this Act the undertaking of the Company shall by virtue of this Act become and shall thenceforth be transferred to and vested in the Council subject and according to the provisions of this Act and free as between the Company and the Council from all debts and liabilities (except mortgages and debentures) affecting the same due from or payable by the Company up to the date of such transfer and thenceforth the Council shall have and hold the undertaking. On payment of purchase and other moneys undertaking to vest.

10. If the purchase and other moneys payable by the Council to the Company in accordance with the provisions of this Act or any of such moneys be not paid to the Company on or before the date of transfer the Council shall pay to the Company interest at the rate of five per centum per annum on the moneys so unpaid from the date of transfer until payment thereof. Interest to be paid on purchase and other moneys not paid on or before date of transfer.



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As to payment for movable stock and stores.

11. The Council shall pay for the movable stock-in-trade gas coal and other stores of the Company within ten days after the date of transfer and in default of such payment shall pay to the Company interest on the amount payable in respect of such stores from the expiration of such ten days until the actual payment thereof at the rate of five pounds per centum per annum.

Receipt for purchase and other moneys.

12. The receipt in writing of three of the directors of the Company for the purchase money or any other sum to be paid to them by the Council shall effectually discharge the Council from the sum so paid and from being concerned to see to the application thereof and from being answerable or accountable for the loss misapplication or non-application thereof. Provided that if from any cause the Council 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 given to the Council by the cashier of the said bank for the money shall have the same effect as the receipt of the said three directors.

Liabilities and actions &c. by or against Company.

13. All debts and liabilities (except mortgages and debentures) due from or payable by the Company up to the date of transfer which shall then remain unpaid or unsatisfied shall as between the Company and the Council be paid or satisfied by the Company and the Company shall indemnify the Council against the same and if at the time of the transfer any action or proceeding or any cause of action or proceeding is pending or existing by or against or in favour of the Company the same shall not abate or be discontinued or in anywise prejudicially affected by reason of the transfer or of anything in this Act contained but the same may be continued prosecuted and enforced by or against or in favour of the Council 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 but as between the Company and the Council the Company shall indemnify the Council against any action or proceeding against the Company and shall be entitled to the benefit of any action or proceeding in favour of the Company which shall be pending at the time of the transfer.

Contracts &c. of Company to be binding on Council.

14. Except as is by this Act otherwise specially provided all purchases sales conveyances grants assurances deeds contracts bonds and agreements entered into or made and subsisting at the date of transfer and then in force shall be as binding and of as full force and effect in every respect against or in favour of the Council and may be enforced as fully and effectually as if instead of the Company the Council had been a party thereto.

**15.** 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 be admitted in evidence in respect of the same and the like matter for or against the Council.

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Books &c.  
to remain  
evidence.

**16.** All officers and servants of the Company other than the directors who were in office immediately before the date of transfer shall hold and enjoy their respective offices and employments together with the salaries and emoluments thereunto annexed until they shall resign the same or be removed therefrom by the Council and shall be subject and liable to the like conditions obligations pains and penalties and to the like powers of removal and to the like rules restrictions and regulations in all respects whatsoever as if they had been appointed under this Act.

Officers to  
continue  
until  
removed.

**17.—(1.)** From and after the date of transfer the Company shall subsist only for the purpose of paying their debts and liabilities (except mortgages and debentures) and of receiving and recovering the sums payable to the Company as provided by this Act and distributing the purchase money and for winding up the affairs of the Company and carrying into effect the purposes of this Act so far as they relate to the Company and the directors of the Company who are in office at the date of transfer and the survivors and survivor of them shall continue without re-election to hold the office of directors of the Company and they or a majority of them shall have full power and authority to take all necessary proceedings for carrying into effect the several purposes of this section.

Purposes  
for which  
Company to  
continue  
incorporated.  
Winding up  
of Company.

**(2.)** Forthwith after the date of transfer the directors of the Company shall proceed to wind up the affairs of the Company and after payment of the debts and liabilities (except mortgages and debentures) of the Company shall pay and distribute the net moneys to and among the several persons who at the date of transfer are the registered shareholders of the Company or their respective executors administrators and assigns in accordance with the scheme in this Act referred to.

**(3.)** When the directors of the Company are for six months after the date of transfer unable after diligent inquiry to ascertain the person to whom any money ought to be paid or who can give an effectual receipt for the same they may pay the same into the High Court under any Act for the time being in force for the relief of trustees and every such payment shall effectually discharge the Company and the directors thereof from all further liability with respect to the money so paid in.

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(4.) If any money is payable to any shareholder of the Company being a minor idiot or lunatic the receipt of the guardian or committee of his estate shall be a sufficient discharge to the Company or the directors for the same.

(5.) After the date of transfer and until the Company shall be finally wound up and dissolved the Company shall be entitled to retain the share register and other books and papers relating exclusively to the shareholders in and the constitution of the Company and shall have access at all reasonable times to the books documents and accounts relating to the transferred undertaking for the purpose of making up the accounts of the Company to the date of transfer and for all other reasonable purposes in relation to the winding up of the Company.

Dissolution  
of Company.

18. Upon the purposes specified in the last preceding section being fulfilled the Company shall ipso facto be dissolved.

As to dis-  
tribution of  
the purchase  
money.

19. The directors of the Company shall as soon as possible after the payment of the purchase money prepare a scheme or schemes for the distribution thereof among the shareholders entitled thereto and in case of the withdrawal or rejection or partial rejection of any such scheme they may prepare other or modified schemes in lieu thereof and the following provisions shall have effect. The directors shall send a copy of the scheme to all the proprietors of the Company together with a notice summoning a meeting of the proprietors to consider the scheme at a place and time to be named in the notice being not sooner than seven days nor later than fourteen days after circulation of the scheme.

The scheme shall be submitted to the said meeting and if one fourth in number of the proprietors present thereat shall object thereto and shall insist on such objection the scheme and such objection thereto shall be referred to the arbitrament of one of Her Majesty's counsel to be agreed upon between the directors and the dissenting proprietors or failing agreement by one of Her Majesty's counsel to be appointed by the Attorney-General on the application of either of the parties who shall have power to settle the scheme and the scheme so settled shall be binding on all parties.

### PART III.—SUPPLY OF GAS.

Limits of  
supply.

20. The limits of this Act for the supply of gas (in this Act referred to as "the limits of supply") shall be and include the existing limits of supply of the Company that is to say the parishes of Cowes and Northwood in the Isle of Wight.

Power to  
purchase  
lands by  
agreement.

21. The Council may for the purposes of this Act purchase take and hold by agreement in addition to the lands vested in them under this Act any lands and hereditaments not exceeding in the



whole five acres which the Council may from time to time require for the purposes of their works and undertaking but the Council shall not create or permit a nuisance on any such lands and no lands shall be used by the Council for the purpose of manufacturing gas or residual products except the lands described in the schedule to this Act being the lands which at the date of transfer the Company were authorised to use for that purpose.

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Gas not to be manufactured except on lands scheduled.

22. The Council shall not under the powers of this Act purchase or acquire ten or more houses which on the fifteenth day of December last were occupied either wholly or partially by persons belonging to the labouring class as tenants or lodgers or except with the consent of the Local Government Board ten or more houses which were not so occupied on the said fifteenth day of December but have been or shall be subsequently so occupied.

Restriction on taking houses of labouring class.

For the purposes of this section the expression "labouring class" means and includes mechanics artizans labourers and others working for wages hawkers costermongers persons not working for wages but working at some trade or handicraft without employing others except members of their own family and persons other than domestic servants whose income does not exceed an average of thirty shillings a week and the families of any such persons who may be residing with them.

23. Twenty-four hours notice in writing shall be given to the Council at their gas office by every gas consumer before he shall quit any premises supplied with gas by meter by the Council and in default of such notice the consumer so quitting shall be liable to pay to the Council the money accruing due in respect of such supply up to the next usual period for ascertaining the register of the meter on such premises Notice of the provisions of this section shall be endorsed on every demand note for gas rent.

Gas consumers to give notice to Council before removing.

24. The price to be charged by the Council for gas supplied by them to persons who shall use the same by meter shall not at any time exceed four shillings and sixpence per one thousand cubic feet.

Limiting the price of gas.

25. Within six months from the date of transfer a testing place shall be provided at some convenient part of the gasworks or at the office of the Council.

Testing place.

#### PART IV.—FINANCIAL.

26.—(1.) The Council may from time to time independently of any other borrowing power borrow at interest any sum or sums of money for the purposes herein-after mentioned not exceeding the respective amounts herein-after specified (that is to say):—

Power to borrow.

(a) For the purchase of the undertaking of the Company and for paying any sums payable by the Council to the Company

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under this Act and defraying the actual costs of the Company of obtaining the Act of 1896 the costs and expenses incident to such purchase including all costs and charges incurred by the Council in opposing the Bill for the Act of 1896 and obtaining the insertion of a clause in that Act to enable the Council to purchase the undertaking and to the transfer of the undertaking to the Council (other than the costs of this Act) such sum as may be required ;

(b) For paying the taxed costs and expenses of this Act as herein-after provided the sum requisite for that purpose ;

(c) For paying off the mortgage and debenture debts of the Company such sums as may be required :

And with the approval of the Local Government Board such further moneys as the Council may require for any of the purposes of this Act.

(2.) In order to secure the repayment of the moneys borrowed under this section and the payment of the interest thereon the Council may mortgage or charge the revenue of the gas undertaking of the Council and the district fund and general district rate of the district.

Inquiries  
by Local  
Government  
Board.

**27.**—(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 they have for the purposes of inquiries directed by that Board under the Public Health Act 1875.

(2.) The Council shall pay to the Local Government Board any expenses incurred by that Board in relation to any inquiries under 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.

Mode of  
raising  
money.

**28.** The Council may raise all or any moneys which they are authorised to borrow under this Act either by mortgage or by issue of debentures or annuity certificates under and subject to the provisions of the Local Loans Act 1875 or partly in one way and partly in another Provided that in respect of any moneys raised under the said Act and repayable by a sinking fund the provisions of the section of this Act of which the marginal note is " Regulations as to sinking fund " shall apply instead of the provisions of section fifteen of the Local Loans Act 1875.

Certain  
regulations of  
Public Health

**29.** The powers of borrowing money by this Act granted shall not be restricted by any of the regulations contained in section 234

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of the Public Health Act 1875 and in calculating the amount which the Council may borrow under that Act any sums which they may borrow under this Act shall not be reckoned.

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Act as to borrowing not to apply.

**30.** Sections 236 to 239 of the Public Health Act 1875 shall extend and apply mutatis mutandis to mortgages granted under this Act.

Provisions of Public Health Act as to mortgages to apply.

**31.** The Council shall pay off all moneys borrowed by them under this Act and the mortgage and debenture debts of the Company within the respective periods (in this Act referred to as "the prescribed periods") following (that is to say):—

Periods for payment off of money borrowed.

As to moneys borrowed for the purposes (a) mentioned in the section of this Act the marginal note whereof is "Power to borrow" within a period of forty years from the date or dates of the borrowing of the same;

As to moneys borrowed for the purpose (b) mentioned in the said section within a period of ten years from the date or dates of the borrowing of the same;

As to moneys borrowed for the purpose (c) mentioned in the said section and the mortgage and debenture debts of the Company within the period of forty years from the date of transfer;

As to moneys borrowed with the approval of the Local Government Board such period as they may think fit to sanction.

**32.** The Council shall pay off all moneys borrowed by them on mortgage under the powers of this Act and the mortgage and debenture debts of the Company either by equal yearly or half-yearly instalments of principal or of principal and interest or by means of a sinking fund or partly by such instalments and partly by a sinking fund.

Mode of payment off of money borrowed.

**33.** If the Council determine to pay off by means of a sinking fund any moneys borrowed under the authority of this Act or the mortgage or debenture debts of the Company the following regulations shall be observed:—

Regulations as to sinking fund.

The Council in every year shall appropriate and set apart out of the rate and revenue on the security of which such moneys shall have been borrowed or are charged such equal annual sums as will with the accumulations thereof by way of compound interest at not exceeding three pounds per centum per annum with yearly rests be sufficient to pay off the whole of the principal moneys for the repayment of which the sinking fund is provided within the prescribed periods. The rate of accumulation on which the amounts paid to the sinking fund are based is herein-after referred to as "the prescribed rate":

A.D. 1897. Provided as follows (that is to say):—

(A) The yearly sums so to be appropriated and set apart shall be invested from time to time and accumulated in the way of compound interest by investing the same and the dividends interest and annual income thereof respectively in securities in which trustees are or may be authorised to invest or in mortgages debenture stock or other securities (not being annuities or transferable by delivery) duly created and issued by any local authority as defined by the Local Loans Act 1875 (other than securities of the Council) and any such investments may be from time to time varied or transposed. Provided that if in any year the income arising from the investments of the sinking fund does not equal the prescribed rate of accumulation any deficiency shall be made good out of the rate and revenue from which the annual payments to such fund are made and that if in any year such income exceeds the prescribed rate of accumulation any excess may be applied in reduction of the annual payments which would otherwise be required to be made to such fund:

(B) The Council may at any time apply the whole or part of the sinking fund in or towards the repayment of the moneys for the repayment of which it was set apart in such order and manner as they deem proper. Provided that in such case they pay into such sinking fund in each year afterwards and accumulate as herein-before prescribed until the whole of the moneys to which such sinking fund is applicable are discharged a sum equal to the interest produced by the sinking fund or part thereof so applied at the prescribed rate. Provided also that whenever and so long as the value of the securities standing to the credit of the sinking fund taken at the market price of the day shall be equal to the amount of the moneys then outstanding for the repayment of which it was set aside the Council may in lieu of investing the yearly income of such fund apply the same in payment of interest on moneys in respect of which the fund was set aside and may during such periods discontinue the payment to the sinking fund of the yearly sums required to be paid thereto.

Annual  
return to  
Local  
Government  
Board with  
respect to  
sinking fund.

**34.** The clerk to the Council shall within twenty-one days after the expiration of each year during which any sum is required to be set apart for a sinking fund or any instalment is required to be paid under this Act transmit to the Local Government Board a return in such form as may be prescribed by that Board and verified by statutory declaration of the clerk if so required by them showing the amount which has been paid as an instalment or invested for the



purposes of such sinking fund during the year preceding the making of such return and the description of the securities upon which the same has been invested and also showing the purposes to which any portion of the moneys invested for the sinking fund and the interest thereof have been applied during the same period and the total amount remaining invested at the end of the year and in the event of any wilful default in making such return the clerk shall be liable to a penalty not exceeding twenty pounds which shall be paid to the Local Government Board and shall be recoverable by that Board in a summary manner. If it appear to the Local Government Board by such return or otherwise that the Council have failed to pay any instalment or to set apart the sum required for the sinking fund under this Act or have applied any portions of the moneys set apart for that fund or any interest thereof to any purposes other than those authorised by this Act the Local Government Board may by order direct that a sum not exceeding double the amount in respect of which such default shall have been made shall be set apart and invested as part of the sinking fund and such order shall be enforceable by writ of Mandamus to be obtained by the Local Government Board out of the High Court and the provisions of this section shall apply mutatis mutandis to appropriations and annual repayments.

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**35.** If the Council pay off any part of any money borrowed by them under the powers of this Act otherwise than by means of instalments or appropriations or annual repayments or a sinking fund or out of the proceeds of the sale exchange or disposition of lands or out of fines or premiums on leases or other moneys received on capital account not being borrowed moneys they may from time to time re-borrow the same but all moneys so re-borrowed shall be repaid within the period prescribed for the repayment of the moneys in lieu of which such re-borrowing shall have been made and any amounts from time to time re-borrowed shall be deemed to form the same loan as the moneys in lieu of which such re-borrowing shall have been made and the obligations of the Council with respect to the repayment of such moneys shall not be in any way affected by such re-borrowing.

Power to re-borrow.

**36.** The Council shall not be bound to see to the execution of any trust whether expressed or implied or constructive to which any loan or security for loan given by them may be subject but the receipt of the person in whose name any loan or security for loan stands in the register or books of the Council shall from time to time be a sufficient discharge to the Council in respect thereof notwithstanding any trusts to which such loan or security may be subject and whether or not the Council have had express or implied notice of any such trust or of any charge or incumbrance upon or

Council not to regard trusts.

A.D. 1897. — transfer of such loan or security or any part thereof or interest thereon not entered in their register or books and the Council shall not be bound to see to the application of the money paid on any such receipt or be answerable or accountable for any loss misapplication or non-application of any such money.

Application  
of borrowed  
moneys.

**37.** All moneys borrowed by the Council under the powers of this Act shall be applied only to the purposes for which they are respectively authorised to be borrowed and to which capital is properly applicable.

Expenses of  
execution of  
Act.

**38.** All expenses incurred by the Council in carrying into execution the provisions of this Act (except such as are to be paid out of borrowed money or are otherwise provided for) shall be paid out of the district fund and general district rate.

Separate  
account of  
gas under-  
taking to be  
kept.

**39.** The Council shall keep a separate account of their receipts and expenditure for gasworks purposes on capital and revenue account and the provisions of section 58 of the Local Government Act 1894 shall apply to the accounts of the Council and the accounts of their committees officers and assistants under this Act.

Application  
of gas  
revenue.

**40.** The Council shall apply all moneys from time to time received by them in respect of their gas undertaking except moneys borrowed and money derived from the sale of surplus lands or other moneys received on capital account as follows (that is to say):—

First In payment of the working and establishment expenses and cost of maintenance of their gas undertaking;

Secondly In payment of the interest on the mortgage and debenture debts of the Company and on moneys borrowed by the Council under this Act;

Thirdly In providing the requisite appropriations instalments or sinking funds under this Act in respect of the mortgage and debenture debts of the Company and in respect of moneys borrowed by the Council;

Fourthly In providing a reserve fund for their gas undertaking if they think fit by setting aside such money as they from time to time think reasonable and investing the same and the resulting income thereof in the like securities as they are by this Act authorised to invest their sinking funds in and accumulating the same at compound interest until the fund so formed amounts to five hundred pounds which fund shall be applicable from time to time to answer any deficiency at any time happening in the income of the Council from their gas undertaking or to meet any extraordinary claim or demand at any time arising against the Council in respect of that undertaking and so that if that fund is at any time reduced it may

thereafter be again restored to the sum of five hundred pounds and so from time to time as often as such reduction happens; A.D. 1897.

Fifthly In improving and extending their gas undertaking: And the Council shall carry to the district fund any balance remaining in any year after retaining or setting aside such a sum as may in the opinion of the Council be required for carrying on their gas undertaking and paying the current expenses connected therewith and shall also carry to the district fund the annual proceeds of the reserve fund when such fund amounts to five hundred pounds.

41. Any deficiency in the revenues or receipts of the Council on account of their gas undertaking shall be from time to time made good out of the district fund and the next general district rate to be made by the Council shall be increased so far as may be necessary to recoup to the district fund the amount so made good out of that fund. As to deficiency in receipts.

42. The proceeds of the sale of any surplus lands of the Council and all moneys received by them by way of fine or premium on any lease and other receipts in the nature of capital other than borrowed moneys shall be distinguished as capital in the accounts of the Council and shall be applied in discharge of moneys borrowed by the Council but shall not be applied in the payment of instalments or to payments into the sinking fund except to such extent and upon such terms as may be approved by the Local Government Board. Application of moneys arising from sale &c. of land.

#### PART V.—MISCELLANEOUS.

43. Where any summons demand or other document under this Act (except a conveyance contract or security) requires authentication by the Council the signature thereof by their clerk shall be a sufficient authentication. Authenti-  
cation of  
notices.

44. No person entering into any contract with the Council for the supply of gas to him or for any meter or apparatus to be furnished to him or for any work to be done for him for the purposes of such supply shall thereby be disabled from being a member of the Council or incur any penalty by reason of such contract but any member of the Council concerned directly or indirectly by himself or any partner in any such contract shall not take part in any vote or proceeding relative thereto at any meeting of the Council. Contracts for  
gas not to  
disqualify.

45. The costs charges and expenses preliminary to and of and incidental to preparing and obtaining this Act including the costs charges and expenses preliminary to and of and connected with the Costs.

A.D. 1897. — obtaining of the resolution of owners and ratepayers aforesaid and also the costs of the opposition by the Council to the Bill for the Act of 1896 by which the provisions for purchase were obtained as taxed by the taxing officer of the House of Lords or the House of Commons shall be paid by the Council primarily out of the general district rate but ultimately out of moneys borrowed under the authority of this Act.



The SCHEDULE referred to in the foregoing Act.

A.D. 1897.

LANDS ON WHICH THE GASWORKS AND GASHOLDERS OF THE COMPANY  
ARE OR ARE AUTHORISED TO BE ERECTED.

Firstly—A piece of land containing 3,668 square yards or thereabouts forming a portion of the site of the gasworks of the Company situate at Smithards in the parish of Cowes (formerly Northwood) bounded on the east by other land of the Company on the north by land belonging or reputed to belong to Joseph Henry Atkey on the west by other land of the Company and on the south partly by other land of the Company used as a site of works and for the general purposes of their undertaking partly by a house and shop belonging or reputed to belong to Joseph Douglas Ratsey Atkey and partly by the road approaching the gasworks of the Company.

Secondly—A piece of land containing 649 square yards or thereabouts forming a further portion of the site of the gasworks of the Company situate at Smithards aforesaid in the said parish of Cowes (formerly Northwood) part of a certain meadow formerly called by the name of Suttern Ground and numbered 230 on the tithe commutation map of the parish of Northwood which said piece of land is of the width of 30 feet or thereabouts and lies to the south of and partly adjoins the piece of land firstly described and as to the remainder thereof forms part of the piece of land nextly described.

Thirdly—A piece of land containing 4,689 square yards or thereabouts forming a further portion of the site of the gasworks of the Company situate at Smithards aforesaid in the said parish of Cowes (formerly Northwood) formerly part of the foreshore and bed of the River Medina lying to the east of and adjoining the piece of land firstly described bounded on the north by land belonging or reputed to belong to the said Joseph Henry Atkey on the south by lands belonging or reputed to belong to George Henry Marvin and on the east by the River Medina Together with the site of the existing pier constructed by and belonging or reputed to belong to the Company and extending eastwards from the piece of land now being described into the River Medina.

Fourthly—A small triangular piece of land containing 352 square yards or thereabouts belonging or reputed to belong to the Company and forming a further portion of the site of their gasworks situate at Smithards aforesaid in the said parish of Cowes (formerly Northwood) lying on the western side of and adjoining the piece of land firstly described and bounded on the western side thereof by a road called Arctic Road and on the north by land belonging or reputed to belong to Joseph Henry Atkey.

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