



# New Towns (Scotland) Act 1968

## 1968 CHAPTER 16

*[<sup>F1</sup> Financial reconstruction*

### Textual Amendments

**F1** S. 38AB inserted as provided by [Enterprise and New Towns \(Scotland\) Act 1990 \(c. 35, SIF 64\)](#), s. 35

### **38AB Power to extinguish loan obligations of development corporation.**

- (1) The Secretary of State may, with the consent of the Treasury, by order extinguish to such extent as may be specified in the order any liabilities of a development corporation in respect of advances made by him to the corporation under section 37(1) of this Act or section 12(1) of the New Towns Act 1946.
- (2) Where liabilities are extinguished under this section the assets of the National Loans Fund shall be reduced by amounts corresponding to the liabilities so extinguished.
- (3) No order shall be made under this section unless a draft of it has been laid before, and approved by, the Commons House of Parliament.]

### **[<sup>F2</sup>38B Disposal of surplus funds of development corporations.**

- (1) Where it appears to the Secretary of State, after consultation with the Treasury and the development corporation, that a development corporation have a surplus, whether on capital or on revenue account, after making allowance by way of transfer to reserve or otherwise for their future requirements, the development corporation shall, if the Secretary of State after such consultation as aforesaid so directs, pay to the Secretary of State such sum not exceeding the amount of that surplus as may be specified in the direction; and any sum received by the Secretary of State under this section shall, subject to subsection (3) of this section, be paid into the Consolidated Fund.
- (2) The whole or part of any payment made to the Secretary of State by a development corporation under subsection (1) above shall, if the Secretary of State with the approval of the Treasury so determines, be treated as made by way of repayment of such part

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of the principal of advances under section 37(1) of this Act, and as made in respect of the repayments due at such times, as may be so determined.

- (3) Any sum treated under subsection (2) above as a repayment of a loan shall be paid by the Secretary of State into the National Loans Fund.]

#### Textual Amendments

**F2** S. 38B inserted by Housing (Scotland) Act 1987 (c. 26, SIF 61), s. 339, Sch. 23 para. 13(2)

### 39 Accounts, audit, annual reports etc.

- (1) Every development corporation shall keep proper accounts and other records in relation thereto, and shall prepare in respect of each financial year annual accounts in such form as the Secretary of State may with the approval of the Treasury direct.
- (2) The accounts of every development corporation shall be audited by an auditor to be appointed annually by the Secretary of State.
- [<sup>F3</sup>(3) No person shall be so appointed unless he is eligible for appointment as a [<sup>F4</sup>statutory auditor under Part 42 of the Companies Act 2006].]
- (4) As soon as the annual accounts of a development corporation for any financial year have been audited, the corporation shall send to the Secretary of State a copy of the accounts prepared by them for that year in accordance with this section, together with a copy of any report made by the auditor thereon.
- (5) The Secretary of State shall prepare in respect of each financial year, in such form and manner and at such times as the Treasury may direct, an account of the sums issued to him . . . <sup>F5</sup> and advanced to a development corporation under this Act and of sums received by him from that development corporation and paid into the [<sup>F6</sup>National Loans Fund] in respect of the principal of and interest on sums so advanced.
- (6) On or before 30th November in each year, the Secretary of State shall transmit to the Comptroller and Auditor General the account prepared by him under subsection (5) above in respect of the last foregoing financial year; and the Comptroller and Auditor General shall examine and certify the account prepared by the Secretary of State and lay before each House of Parliament copies of that account together with his report thereon.
- (7) As soon as possible after the end of each financial year every development corporation shall make to the Secretary of State a report dealing generally with the operations of the corporation during that year, and shall include in the report a copy of their audited accounts for that year; and the Secretary of State shall lay a copy of every such report before each House of Parliament.
- (8) Without prejudice to the requirement imposed by subsection (7) above, every development corporation shall provide the Secretary of State with such information relating to their undertaking as the Secretary of State may from time to time require, and for that purpose shall permit any person authorised by the Secretary of State in that behalf to inspect and make copies of the accounts, books, documents or papers of the corporation and shall afford such explanation thereof as that person or the Secretary of State may reasonably require.

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- (9) The financial year of every development corporation shall begin with 1st April, and references to a financial year in relation to a development corporation shall be construed accordingly.

**Textual Amendments**

- F3** S. 39(3) substituted (1.10.1991) by S.I. 1991/1997, regs. 1(1), 2, **Sch. para.18**  
**F4** Words in s. 39(3) substituted (6.4.2008) by The Companies Act 2006 (Consequential Amendments etc) Order 2008 (S.I. 2008/948), art. 2(2), **Sch. 1 para. 1(i)** (with arts. 6, 11, 12)  
**F5** Words repealed by S.I. 1969/453  
**F6** Words substituted by S.I. 1969/453

**Modifications etc. (not altering text)**

- C1** S. 39 extended by New Towns (Scotland) Act 1977 (c. 16, SIF 123:4), **s. 5(1)**

**40 General provision as to expenses.**

There shall be paid out of money provided by Parliament (in addition to any sums authorised or required by virtue of any other provision of this Act to be so paid)—

- (a) any expenses incurred by the Secretary of State in payment of compensation under section 14(4) or 26(7) of this Act;
- (b) any expenses incurred by the Secretary of State under section 20(2)(b) of this Act;
- (c) any administrative expenses incurred by the Secretary of State for the purposes of this Act.

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