



Medway Ports Authority Act 1973

1973 CHAPTER xxi

PART III

FINANCIAL

49 Borrowing powers

- (1) The Authority may from time to time borrow upon the security of all or any of the revenues and property of the Authority and by any method or methods they see fit—
 - (a) such sums of money as they may think necessary not exceeding in the aggregate twelve million pounds; and
 - (b) with the consent of the Secretary of State for the Environment such further sums of money as they may require:

Provided that in calculating for the purpose of paragraph (a) of this subsection the aggregate sums of money borrowed by the Authority there shall be excluded any sums borrowed for use within twelve months of the date of borrowing for repayment of any sum for the time being outstanding by way of principal on any amount previously borrowed.

- (2) Moneys borrowed by the Authority under this section shall be applied only to purposes to which capital money is properly applicable.
- (3) For the purposes of the last foregoing subsection, but without prejudice to the generality thereof, purposes to which capital money is properly applicable shall be deemed to include—
 - (a) the payment of any interest falling due within five years immediately following the date of the borrowing of any sum of money borrowed by the Authority under this section; and
 - (b) the repayment within twelve months of the date of borrowing of any sum for the time being outstanding by way of principal on any amount previously borrowed.

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50 Temporary borrowing

- (1) The Authority may borrow temporarily, by way of overdraft or otherwise, such sums as the Authority may require for meeting their obligations or discharging their functions under or in pursuance of any enactment:

Provided that the total amount outstanding at any one time of money so borrowed shall not exceed two million pounds.

- (2) The power conferred by this section shall be in addition to any other borrowing power for the time being enjoyed by the Authority.

51 Lenders not to be concerned with application of money lent

A person lending money to the Authority shall not be bound to inquire whether the borrowing of the money is legal or regular or whether the money raised was properly applied and shall not be prejudiced by any illegality or irregularity, or by the misapplication or non-application of any of that money.

52 Authority not bound to recognise any trust

The Authority shall not be bound to see to the execution of, or be affected by notice of, any trust, whether express, implied or constructive, to which any bill, bond, stock or other document relating to moneys borrowed or the principal moneys or interest thereby secured or any money received on deposit or interest thereon may be subject, and the receipt of the holder of a bill or the receipt of the person in whose name any bond, stock or other document or any money received on deposit stands in the books of the Authority, as the case may be, shall be a sufficient discharge to the Authority for any money payable in respect thereof, notwithstanding any trust to which the same, or the money secured thereby, may be subject; and the Authority shall not be bound to see to the application of the money paid upon such receipt.

53 Power to charge interest to capital

Where the Authority, in exercise of the powers conferred upon them by any enactment, commence any work from which revenue may after its completion be derived, they may, during such period not exceeding ten years, from the commencement of that work as they determine, charge to capital as part of the cost of that work interest on any money raised to defray—

- (a) the cost of acquisition of lands for the purpose of that work; and
- (b) the expenses of constructing or carrying out that work.

54 Reserve fund

The Authority may continue and maintain a reserve fund and may determine the moneys to be carried to the credit of that fund, the management thereof and the application for the purposes of the Authority of the moneys comprised therein.

55 General insurance fund

- (1) The Authority may, if they think fit, establish an insurance fund with a view to providing a sum of money which shall be available for making good any losses, damages, costs and expenses to which the Authority may be subjected in consequence

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of such risks as may from time to time be specified in a resolution of the Authority (in this section referred to as " the specified risks ").

- (2) The establishment of a fund under this section shall not prevent the Authority from insuring in one or more insurance offices against the whole or any part of all or any of the specified risks.
- (3) The Authority may pay into the said fund in any year such sums as the Authority may think fit out of the receipts of the Authority on revenue account and as part of their working and establishment expenses and the cost of maintenance of the undertaking.
- (4) All moneys for the time being standing to the credit of the said fund shall be invested in statutory securities and the interest and annual proceeds arising from such securities shall be invested and accumulated in the said fund.
- (5) In this section " insurance office " means—
 - (a) an insurance company; or
 - (b) an underwriter who is a member of an association of underwriters.

56 Power to invest in securities of bodies corporate

- (1) In order to provide or facilitate the provision of funds for—
 - (a) the establishment, carrying on or extension by any body corporate of warehouses, factories or works at or near the docks;
 - (b) the establishment or carrying on by any body corporate of an undertaking or business connected with or ancillary to the carrying on of the undertaking;
 - (c) the establishment or carrying on by any body corporate of an undertaking or business concerned with the transport or handling of goods;
 - (d) the carrying on by any body corporate of any other undertaking or business which appears to the Authority to be advantageous or convenient for, or in connection with, the undertaking or to be for the benefit of the Authority either directly or indirectly;

and, to the extent requisite therefor, the Authority may subscribe for, purchase, take up and hold or dispose of any shares, stock, mortgages, debentures or debenture stock of such body corporate and may in respect of any such shares, stock, mortgages, debentures or debenture stock for the time being held by them exercise either by themselves or through some person nominated by them for the purpose all or any of the rights exercisable by an individual holder of such shares, stock, mortgages, debentures or debenture stock.

- (2) The Authority may apply for the purposes of this section any of their capital or funds for the time being available.

57 Accounts and audit

- (1) The accounts of the Authority shall be audited annually by an auditor or firm of accountants appointed by the Authority and a person or firm shall not be qualified to be so appointed unless he is a member, or in the case of a firm all the partners are members, of one or more of the following bodies:—
 - (a) The Institute of Chartered Accountants in England and Wales;
 - (b) The Institute of Chartered Accountants of Scotland;
 - (c) The Association of Certified Accountants;

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- (d) The Institute of Chartered Accountants in Ireland ;
 - (e) The Institute of Municipal Treasurers and Accountants;
 - (f) Any other body of accountants established in the United Kingdom and for the time being recognised for the purposes of paragraph (a) of subsection (1) of section 161 of the Companies Act, 1948, by the Secretary of State.
- (2) The report of the auditor on the accounts of the Authority for each financial year shall be submitted to a meeting of the Authority to be held as soon as reasonably practicable following the end of the year of account,

58 Gratuities, etc.

The Authority pay grant such gratuities, pensions or allowances and make such other payments as they may think fit to any officer or servant of the Authority or to the widow or family or dependants of such officer or servant in respect of whom provision has not otherwise been made or in respect of whom the Authority consider that insufficient provision has been made in that behalf.

59 Allowances and donations

The Authority may give donations, contributions or subscriptions to such public institutions or charities as the Authority in their discretion may think fit.