



CHAPTER 51.

An Act to amend the law with respect to the manner in which the public trustee may deal with certain trust moneys, to confirm the legality of certain dealings by the public trustee with such moneys and to require certain moneys in the hands of the public trustee to be paid into the Exchequer; and for purposes connected with the matters aforesaid. [28th July 1939.]

WHEREAS the public trustee has at all times in his hands trust moneys standing to the credit of various trusts, being temporary cash balances awaiting investment or distribution :

And whereas, on and after the fifth day of March nineteen hundred and eighteen, in cases where moneys so stand to the credit of a trust and the public trustee deems it impracticable, or not for the benefit of the trust, to keep the moneys separate and earn interest thereon, it has been his practice to include such moneys, until required, in one general fund :

And whereas until July nineteen hundred and thirty-six part of the said fund was kept on deposit account with certain banks, and part thereof was kept invested in Government securities :

And whereas from time to time during the years nineteen hundred and twenty-two to nineteen hundred and thirty-two, on the realisation of certain securities

forming part of the assets of the said fund, sums representing the capital appreciation of those securities, amounting in all to twenty-eight thousand one hundred and seventy-eight pounds fifteen shillings and four pence, were dealt with by the public trustee as if they were fees received by him :

And whereas in July nineteen hundred and thirty-six all the securities then forming part of the assets of the said fund were realised, and of the net proceeds of the realisation, the sum of one hundred and seventeen thousand five hundred and sixty-nine pounds, eighteen shillings and ten pence (being so much of those proceeds as represented capital appreciation of the assets of the fund) was paid by the public trustee into a separate account in the Post Office Savings Bank and treated as no longer forming part of the assets of the said fund :

And whereas since the realisation of the said securities the assets of the said fund have partly been kept on deposit account in certain banks and have as to the remainder thereof been kept in the Post Office Savings Bank :

And whereas nothing in respect of capital appreciation of the assets of the said fund has been credited to the various trusts the moneys of which have from time to time been included therein, but interest at the rate hereinafter mentioned has been credited to each trust in respect of those moneys :

And whereas that interest has been so credited to the trusts at the following rates, that is to say :—

- (a) in the case of any part of the period beginning with the fifth day of March nineteen hundred and eighteen and ending with the thirty-first day of July nineteen hundred and thirty-six, at the highest exact multiple of one-quarter per cent. per annum which was more than one-quarter per cent. per annum below the rate which would have absorbed the whole of the interest for the time being accruing to the public trustee in respect of the assets of the fund;

- (b) in the case of any part of the period since the beginning of August nineteen hundred and thirty-six, at the highest exact multiple of one-sixteenth per cent. per annum which could be paid out of the interest for the time being accruing to the public trustee in respect of the assets of the fund :

And whereas the balance of the interest from time to time received by the public trustee in respect of the assets of the said fund after crediting the interest aforesaid to the various trusts has been dealt with by the public trustee as if it were fees received by him :

And whereas it is expedient to legalise the said dealings by the public trustee with the trust moneys aforesaid, to provide for the payment into the Exchequer (free of all claims) of the said sum of one hundred and seventeen thousand five hundred and sixty-nine pounds eighteen shillings and ten pence and the interest accrued thereon, and to authorise the public trustee to continue to maintain the said fund and to deal therewith, and with the interest thereon, in the manner in which the said fund and the interest thereon have been dealt with by him since the beginning of August nineteen hundred and thirty-six :

Be it therefore 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 :—

1.—(1) The said dealings by the public trustee with the trust moneys aforesaid shall be deemed always to have been lawful.

(2) The public trustee shall pay into the Exchequer the said sum of one hundred and seventeen thousand, five hundred and sixty-nine pounds, eighteen shillings and ten pence, together with the interest accrued to him thereon, and no claim shall be made by any person to any part of the said sum or of the interest thereon.

(3) The public trustee may continue—

- (a) to maintain the said general fund and to include therein such trust moneys as he thinks fit, being moneys awaiting investment or distribution; and

Continuation of general deposit fund and legalisation of past dealings of the public trustee therewith.

(b) to deal with that fund, and the interest received by him thereon, in the manner in which the said fund and the interest received by him thereon have been dealt with by him since the beginning of August nineteen hundred and thirty-six, but not otherwise.

Short title
and citation.
6 Edw. 7.
c. 55.

2. This Act may be cited as the Public Trustee (General Deposit Fund) Act, 1939, and this Act and the Public Trustee Act, 1906, may be cited together as the Public Trustee Acts, 1906 and 1939.

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