

Status: Point in time view as at 01/02/2005.

Changes to legislation: Transport Act 2000, Part II is up to date with all changes known to be in force on or before 10 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 14

STRATEGIC RAIL AUTHORITY

PART II

FUNDING

Government grants

- 7 The Secretary of State may make to the Authority grants of such amounts, on such terms, as he may determine.

Modifications etc. (not altering text)

- C1** Sch. 14 Pt. II para. 7: Transfer of functions to the Scottish Ministers (15.3.2001) by [S.I. 2001/954](#), arts. 1, 2, [Sch.](#)

Borrowing

- 8 (1) The Authority is entitled to borrow in accordance with the following provisions of this paragraph, but not otherwise.
- (2) Subject to sub-paragraph (5), the Authority may borrow from the Secretary of State such sums in sterling as it may require for meeting its obligations and carrying out its functions.
- (3) Subject to sub-paragraphs (4) and (5), the Authority may borrow temporarily in sterling (by way of overdraft or otherwise) from persons other than the Secretary of State such sums as it may require for meeting its obligations and carrying out its functions.
- (4) Borrowing under sub-paragraph (3) requires the consent of the Secretary of State which will not be given without the approval of the Treasury.
- (5) The Authority may not borrow if the effect would be—
- (a) to take the aggregate amount outstanding in respect of the principal of sums borrowed by it over its borrowing limit, or
 - (b) to increase the amount by which the aggregate amount so outstanding exceeds that limit.
- (6) The Authority's borrowing limit is—
- (a) £3 billion, or
 - (b) such greater sum as the Secretary of State may, with the approval of the Treasury, specify by order made by statutory instrument.

Status: Point in time view as at 01/02/2005.

Changes to legislation: Transport Act 2000, Part II is up to date with all changes known to be in force on or before 10 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (7) An order under sub-paragraph (6)(b) shall not be made unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, the House of Commons.

Terms of government loans

- 9 (1) The approval of the Treasury is needed for the making of any loan to the Authority by the Secretary of State.
- (2) Any loan made to the Authority by the Secretary of State shall be repaid to the Secretary of State at such times and by such methods, and interest on the loan shall be paid to him at such rates and at such times, as he may with the approval of the Treasury from time to time determine.
- (3) If in any financial year the Secretary of State makes a loan to the Authority, he shall—
- (a) prepare an account, and
 - (b) send that account to the Comptroller and Auditor General before the end of September in the following financial year.
- (4) The account shall show—
- (a) the amount outstanding at the end of the previous financial year in respect of the principal of sums lent by the Secretary of State to the Authority,
 - (b) the amount of the sums lent by the Secretary of State to the Authority in the current financial year,
 - (c) the amount of any loan repayments made to the Secretary of State by the Authority in that financial year, and
 - (d) the amount outstanding at the end of that financial year in respect of the principal of sums lent by the Secretary of State to the Authority;
- and the form of the account and the manner of preparing it shall be such as the Treasury may direct.
- (5) The Comptroller and Auditor General shall examine, certify and report on each account sent to him under this paragraph and shall lay copies of it and of his report before each House of Parliament.

Government guarantees

- 10 (1) The Secretary of State may, with the approval of the Treasury, guarantee, in such manner and on such conditions as he may consider appropriate—
- (a) the repayment of the principal of,
 - (b) the payment of interest on, and
 - (c) the discharge of any other financial obligation in connection with,
- any sum which the Authority borrows from any person other than the Secretary of State.
- (2) Where the Secretary of State gives a guarantee under this paragraph he shall, as soon after giving it as is reasonably practicable, lay a statement of the guarantee before each House of Parliament.
- (3) Where any sum is paid out for fulfilling a guarantee under this paragraph, the Secretary of State shall, as soon as reasonably practicable after the end of each financial year—

Status: Point in time view as at 01/02/2005.

Changes to legislation: Transport Act 2000, Part II is up to date with all changes known to be in force on or before 10 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) beginning with that in which the sum is paid out, and
 - (b) ending with that in which all liability in respect of the principal of the sum and in respect of interest on it is finally discharged,
- lay before each House of Parliament a statement relating to that sum.
- (4) Where any sums are paid out for fulfilling a guarantee under this paragraph, the Authority shall make to the Secretary of State, at such times and in such manner as he may from time to time direct—
- (a) payments of such amounts as he may so direct in or towards repayment of the sums so paid out, and
 - (b) payments of interest, at such rate as he may so direct, on what is outstanding for the time being in respect of sums so paid out.
- (5) The approval of the Treasury shall be required for the giving of a direction under sub-paragraph (4).

Accounts and audit

- 11 (1) The Authority shall—
- (a) keep proper accounts and proper accounting records, and
 - (b) prepare in respect of each financial year a statement of accounts giving a true and fair view of the state of affairs and the income and expenditure of the Authority.
- (2) Every statement of accounts prepared under sub-paragraph (1)(b) shall comply with any requirement which the Secretary of State has, with the approval of the Treasury, notified in writing to the Authority and which relates to—
- (a) the information to be contained in the statement,
 - (b) the manner in which that information is to be presented, or
 - (c) the methods and principles according to which the statement is to be prepared.
- 12 (1) The accounts of the Authority relating to each financial year shall be audited by the Comptroller and Auditor General who shall send a copy of his report on them to the Authority; and for this purpose “accounts” includes the statement of accounts prepared under paragraph 11(1)(b) in respect of the financial year.
- (2) The Authority shall send—
- (a) a copy of the accounts audited under sub-paragraph (1), and
 - (b) the report made on them by the Comptroller and Auditor General,
- to the Secretary of State who shall lay a copy of each of them before each House of Parliament.

Direction requiring payment to Secretary of State

- 13 (1) The Secretary of State may, after consultation with the Treasury, give a direction to the Authority requiring it to pay to him an amount equal to the whole or such part as may be specified in the direction of any sum, or any sum of a description, so specified which is or has been received by the Authority.
- (2) Where it appears to the Secretary of State that the Authority has a surplus, whether on capital or revenue account, he may, after consultation with the Treasury, direct

Status: Point in time view as at 01/02/2005.

Changes to legislation: Transport Act 2000, Part II is up to date with all changes known to be in force on or before 10 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

the Authority to pay to him such amount not exceeding the amount of that surplus as may be specified in the direction.

- (3) The Secretary of State shall consult the Authority before giving a direction under this paragraph.

Taxation

- 14 (1) The Secretary of State may make regulations for the purpose of eliminating, or reducing to such extent as may be prescribed, the Authority's liability to tax in respect of—
- (a) income and chargeable gains, or
 - (b) any prescribed class of income or chargeable gains.
- (2) The regulations may, in particular, provide—
- (a) for any elimination or reduction of liability to tax conferred by virtue of sub-paragraph (1) to be subject to prescribed conditions (including conditions requiring prescribed activities of the Authority to be carried out by persons other than the Authority), and
 - (b) for transactions entered into by the Authority not to be invalidated merely by reason of a contravention of any such conditions.
- (3) The regulations may—
- (a) for purposes connected with any elimination or reduction of liability to tax conferred by virtue of sub-paragraph (1), apply or modify any provision made by or under the Corporation Tax Acts (including provision made by Schedule 26),
 - (b) make different provision for different cases, and
 - (c) include such incidental, consequential, supplementary and transitional provision and savings as the Secretary of State may consider appropriate.
- (4) Regulations under this paragraph—
- (a) shall be made by statutory instrument, and
 - (b) require the consent of the Treasury.
- (5) No regulations shall be made under this paragraph unless a draft of the statutory instrument containing the regulations has been laid before, and approved by a resolution of, the House of Commons.

Interpretation

- 15 In this Part—
- “accounting records” includes all books, papers and other records of the Authority relating to, or to matters dealt with in, the accounts required to be kept by the Authority, and
- “financial year” means a period beginning with 1st April (or, in the case of the first financial year of the Authority, with the day on which the Authority is established) and ending with the next 31st March.

Status:

Point in time view as at 01/02/2005.

Changes to legislation:

Transport Act 2000, Part II is up to date with all changes known to be in force on or before 10 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.