



Transport Act 1962

1962 CHAPTER 46

PART II

DIVISION OF COMMISSION'S UNDERTAKING

Capital debts and other financial provisions

40 Railways Board's suspended debt

- (1) Part of the commencing capital debt of the Railways Board shall be called the suspended debt, and shall not carry any interest, and shall not be required to be paid off at a fixed time unless and until the Minister otherwise directs.

The Minister may give a direction under this subsection either as regards the whole of the suspended debt, or as regards a part of the suspended debt, and where he gives a direction as regards a part of the suspended debt he may from time to time vary the direction so as to increase the part of the suspended debt which is repayable and carries interest.

- (2) The amount of the suspended debt shall be that part of the commencing capital debt which, in the opinion of the Minister, is not represented by the written-down book value of the assets which have been created by the Commission since the end of the year nineteen hundred and fifty-five and which vest in the Railways Board under this Part of this Act, and the Minister shall direct what that amount shall be:

Provided that the Minister may vary a direction under this subsection by a further direction, where that appears to him expedient to take account of any order under subsection (5) of the last foregoing section which varies the commencing capital debt of the Railways Board.

- (3) For the purposes of the last foregoing subsection any securities which vest in the Railways Board under this Part of this Act shall be treated as if they were assets created by the Commission since the end of the year nineteen hundred and fifty-five.
- (4) If at any time the Railways Board satisfy the Minister—

Status: This is the original version (as it was originally enacted).

- (a) that an amount equal to the whole or any part of the net book value of an asset which is transferred to the Railways Board under or in pursuance of this Part of this Act could have been properly written off by the Commission, and that the Board have at any time properly taken account of that fact in their accounts, or
 - (b) that at any time after the vesting date an asset which is so transferred to the Railways Board has gone out of use and that the Board have properly taken account of that fact by writing off an amount not exceeding the net book value of that asset in their books, and by adjusting their accounts accordingly,
- the Minister may, if he thinks fit, direct that a specified amount of the suspended debt, not exceeding the amount mentioned in paragraph (a) or paragraph (b) of this subsection as the case may be, shall be extinguished.
- (5) Any direction under this section shall be given by the Minister by an order made with the approval of the Treasury by statutory instrument which shall be subject to annulment in pursuance of a resolution of the Commons House of Parliament.