



# Finance Act 1932

## 1932 CHAPTER 25

### PART IV

#### EXCHANGE EQUALISATION ACCOUNT

#### **24 Establishment of Exchange Equalisation Account**

- (1) There shall be established an account, to be called " the Exchange Equalisation Account," which shall be under the control of the Treasury and shall be used for the purposes specified in this Part of this Act.
- (2) The Treasury may, if at any time they think it expedient so to do, cause the Exchange Equalisation Account (in this Part of this Act referred to as " the Account ") to be wound up forthwith, and the Account shall in any event be wound up not later than six months after the date on which the Commons House of Parliament resolve that the Account is no longer required for the purpose for which it was established.
- (3) The Treasury may cause any funds in the Account to be invested in securities or in the purchase of gold in such manner as they think best adapted for checking undue fluctuations in the exchange value of sterling.
- (4) There shall be issued to the Account out of the Consolidated Fund, or the growing produce thereof, at such times and in such manner as the Treasury may direct such sums, not exceeding in the aggregate one hundred and fifty million pounds, as the Treasury may determine, and all the assets of the Exchange Account shall be transferred to the Account at such time as the Treasury may direct.
- (5) For the purpose of providing for the issue of sums out of the Consolidated Fund under the last preceding subsection or for the repayment to that Fund of all or any part of any sums so issued, the Treasury may raise money in any manner in which they are authorised to raise money under and for the purposes of subsection (1) of section one of the War Loan Act, 1919, and any securities created and issued to raise money under this subsection shall for all purposes be deemed to have been created and issued under the said subsection (1).

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*Status: This is the original version (as it was originally enacted).*

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- (6) The Bank of England may advance to the Treasury any sums which the Treasury have under this section power to raise.
- (7) The Account shall in every year until it is wound up be examined by the Comptroller and Auditor-General in such manner as he, in his discretion, thinks proper with a view to ascertaining whether the operations on and the transactions in connection with the Account have been in accordance with the provisions of this Part of this Act, and he shall certify to the Commons House of Parliament whether in his opinion, having regard to the result of the examination, the operations on and the transactions in connection with the Account have or have not been in accordance with the provisions of this Part of this Act.