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STATUTORY INSTRUMENTS

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1986 No. 1277

**WATER, ENGLAND AND WALES**

**The Rickmansworth Water (Financial Provisions) Order 1986**

*Made* - - - 21st July 1986  
*Coming into Operation* 22nd July 1986

The Secretary of State for the Environment, in exercise of powers conferred by sections 23 and 50 of the Water Act 1945(a) and now vested in him(b), and of all other powers enabling him in that behalf, hereby makes the following order:—

*Citation and commencement*

1.— (1) This order may be cited as the Rickmansworth Water (Financial Provisions) Order 1986 and shall come into operation on 22nd July 1986.

(2) The Rickmansworth Water Acts and Orders 1884 to 1983 and this order may be cited together as the Rickmansworth Water Acts and Orders 1884 to 1986.

*Interpretation*

2. In this order—

“the Company” means the Rickmansworth Water Company;

“the Third Schedule” means the Third Schedule to the Water Act 1945 having effect as applied to the undertaking of the Company as for the time being authorised by any enactment.

*Capital and borrowing powers*

3. The Rickmansworth and Uxbridge Valley Water (Financial Provisions) Order 1972(c) shall be amended as follows—

(a) in subsection (1) of section 3 (Interpretation) the definitions of “the existing capital”, “the existing enactments” and “the existing loan capital” shall be omitted;

(b) for section 4 (Capital and borrowing powers) there shall be substituted the following section—

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(a) 1945 c.42.

(b) S.I. 1951/142, 1900, 1970/1681.

(c) S.I. 1972/1483 material amendments were made by S.I. 1977/564 and S.I. 1982/1579.

“4.—(1) The Company may raise capital by—

- (a) the issue of shares;
- (b) borrowing on mortgage of their undertaking;
- (c) borrowing by the issue of debenture stock.

(2) Any sums to be raised in accordance with subsection (1), when added to—

- (a) the sums raised by the issue of existing share capital before; and
- (b) other amounts raised by borrowing and still outstanding on;

the relevant date, shall not exceed £26m.

(3) Subject to subsection (4), the Company shall take such steps as may be necessary to ensure that the amounts raised as mentioned in paragraphs (b) and (c) of subsection (1) which are at any time outstanding do not exceed twice the aggregate of—

- (a) the sums raised by the issue of existing share capital; and
- (b) the amount of the Company’s reserves.

(4) With the consent of the Secretary of State, the Company may raise an additional amount, as mentioned in paragraphs (b) and (c) of subsection (1), not exceeding ten per cent of the total on the relevant date of the sums and amount specified in paragraphs (a) and (b) of subsection (3).

(5) In this section “the relevant date” means the date on which the Company exercise the powers mentioned in subsection (1).

(6) In subsection (3)(b) “the Company’s reserves” means the aggregate of any of the following amounts appearing in the Company’s last audited balance sheet—

- (a) any capital reserve;
- (b) any sum carried forward in accordance with section 77 of the Third Schedule; and
- (c) any amounts standing to the credit of any reserve or contingency fund established and maintained in accordance with section 76 of the Third Schedule.

(7) For the purposes of this section—

- (a) the amount raised by the issue of share capital or debenture stock is the amount raised after taking into account any premiums or discounts; and
- (b) in the case of any share capital or debenture stock issued for a consideration other than cash the nominal value shall be taken to have been the amount raised by that issue.

(8) The Company’s powers of borrowing may be exercised

without obtaining a certificate of a justice under section 40 of the Companies Clauses Consolidation Act 1845(a).

(9) Sums to be raised by the Company may be raised by the issue of new ordinary shares or stock or new preference shares or stock or, at the Company's option, by any of those methods.

(10) The directors may, without further authorisation, raise the same amount of capital as they were authorised to raise, but which they had not so raised, before 22 July 1986."

*Variation of section 76 of the Third Schedule*

4. Section 76 (Reserve and contingency funds) of the Third Schedule shall have effect as if, after the words "think fit", there were inserted the words "(not being provisions for liabilities or charges within paragraph 89 of Schedule 4 to the Companies Act 1985(b))".

*Revocations*

5. Section 3 of the Rickmansworth and Uxbridge Valley Water (Financial Provisions) Order 1977(c) and section 3(a) of the Rickmansworth and Uxbridge Valley Water (Financial Provisions etc.) Order 1982(d) are hereby revoked.

Signed by authority of  
the Secretary of State

*J. Hobson,*  
An Under Secretary in  
the Department of the  
Environment.

21st July 1986.

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(a) 1845 c.16.  
(b) 1985 c.6.  
(c) S.I. 1977/564.  
(d) S.I. 1982/1579.