
STATUTORY INSTRUMENTS

2002 No. 2298

**The Local Authorities (Companies)
(Amendment) (England) Order 2002**

Transitional provision

3.—(1) This article has effect for the purpose of article 15 of the 1995 Order.

(2) In this article “relevant authority” means the Greater London Authority or a functional body within the meaning of the Greater London Authority Act 1999.

(3) Where, in the financial year ending on 31st March 2001 (“year one”), a regulated company reduced its liabilities within the meaning of article 16 of the 1995 Order, the relevant authority may treat a relevant credit approval having effect for the financial years ending on 31st March 2002 or 31st March 2003 as increased by the amount of the excess referred to in article 16(4) of the 1995 Order which arose in year one.

(4) Where, in the financial year ending on 31st March 2002 (“year two”), a regulated company reduced its liabilities within the meaning of article 16 of the 1995 Order, the relevant authority may treat a relevant credit approval having effect for the financial year ending on 31st March 2003 as increased by the amount of the excess referred to in article 16(4) of the 1995 Order which arose in year two.

(5) For the purposes of paragraph (3), where more than one relevant credit approval is treated as increased, the total increase shall not exceed the total excess which arose in year one.