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WELSH STATUTORY INSTRUMENTS

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**2008 No. 588**

**The Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) Regulations 2008**

**Early repayment of loans — premiums and discounts after 31 March 2007**

4. In regulation 24C—

(a) for paragraph (1)(b) substitute—

“(b) as a consequence of such early repayment—

(i) the local authority is required to pay a premium to the lender of the loan or is required, in accordance with proper practices, to account for an amount in respect of a premium as if it were required to pay such a premium; or

(ii) the lender of the loan gives the local authority a discount on the loan or the local authority is required, in accordance with proper practices, to account for an amount in respect of a discount as if the lender had given the local authority such a discount; and”;

(b) in paragraph (4), in the definition of “initial year”, after “repaid” insert—

“;

“replacement loan” means any loan of money to the local authority some or all of which the local authority treats, for accounting purposes, as a replacement for some or all of the loan referred to in sub-paragraph (a) of paragraph (1).”