CHAPTER 16.

An Act to amend the law respecting the National Debt and the charge thereof on the Consolidated Fund, and to make further provision respecting Local Loans.

[12th July 1887.]

BE it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. This Act may be cited as the National Debt and Local Loans Act, 1887. Short title.

National Debt.

2.—(1.) The amount of the permanent annual charge for the National Debt during the current and every subsequent financial year, shall be the sum of twenty six million pounds, and twenty-six shall be substituted for twenty-eight in section one of the Sinking Fund Act, 1875. Amendment of 38 & 39 Vict. c. 45 s. 1. as to amount of permanent annual charge and sums payable thereout.

(2.) There shall be payable as part of the permanent annual charge for the National Debt:

(*a.*) All such perpetual and terminable annuities, and the interest on all such Exchequer Bonds and other debts as are specified in part one of the First Schedule to this Act; and

(*b.*) All interest on advances made by the Bank of England or the Bank of Ireland in pursuance of section twelve of the Exchequer and Audit Departments Act, 1866; and 29 & 30 Vict. c. 39.

(*c.*) The interest on all loans borrowed under any Act on account of ways and means; and

(*d.*) The annual amounts payable for the time being to the Bank of England and Bank of Ireland for the management of, or expenses connected with, the National Debt, or any part thereof.

(3.) There shall not be payable as part of the permanent annual charge for the National Debt—

(*a.*) the deferred annuities, or the interest on the Exchequer bonds, specified in part two of the First Schedule to this Act; or

(*b.*) any annuities or the interest on any Exchequer bonds, Exchequer bills, Treasury bills, or other loans, created, issued, or borrowed under any Act passed after the passing of this Act, which does not direct the same to be payable as part of the said permanent annual charge.

3. There shall be repealed as from the commencement of this Act— Amendment of c. 55. and 47 & 48 Vict. c. 23. as to special sinking fund and decrease of permanent charge.

(*a.*) so much of the National Debt Act, 1881, as directs an annual sinking fund as therein mentioned to be paid to the National Debt Commissioners; and

(*b.*) so much of any Act as provides for any decrease of the permanent annual charge for the National Debt.

4.—(1.) The Treasury may exchange the existing sets of terminable annuities created in pursuance of section two of the Exchange of sets of annuities terminating in

1889, 1894, and 1899, for longer terminable annuities. 46 & 47 Vict. c. 54.

National Debt Act, 1883, for such new terminable annuities, for a period not exceeding fifteen years from the commencement of this Act, as may be of equivalent capital value.

(2.) Such new terminable annuities shall be charged on the Consolidated Fund or the growing produce thereof, and shall be payable as part of the permanent annual charge for the National Debt yearly, half-yearly, or quarterly, at such times in each year as may be fixed by the warrant creating them.

(3.) An annuity created under this section shall be periodically adjusted in manner provided by section four of the National Debt Act, 1883, and for that purpose may be increased or reduced, and the National Debt Act, 1883, shall apply for the purpose of the adjustment of a terminable annuity created under this section.

Amendment of 38 & 39 Vict. c. 45. s. 5 as to application of old sinking fund. 45 & 46 Vict. c. 72.

5. Whereas under section twenty-one of the Revenue, Friendly Societies, and National Debt Act, 1882, the payment of all capital sums due from the National Debt Commissioners to friendly societies, when the securities held on account of those societies by the said Commissioners have been exhausted, was charged on the Consolidated Fund; and whereas the said securities have been exhausted, and the capital debt from the said Commissioners to friendly societies, and thus charged on the Consolidated Fund, is one million three hundred thousand pounds or thereabouts, and it is expedient to provide for the application of the old sinking fund in discharge of such debt (in this section referred to as the friendly societies debt), be it therefore enacted as follows:

38 & 39 Vict. c. 45.

The old sinking fund, in addition to the mode of application authorised by the Sinking Fund Act, 1875, and any Act amending the same, may be applied in payment to the National Debt Commissioners of the friendly societies debt or any part thereof, and the provisions of that section with respect to the investment of money in the hands of the National Debt Commissioners on account of friendly societies shall apply to the investment of any money paid to them in pursuance of this section.

Provision of Money for Local Loans.

Advance by National Debt Commissioners of money authorised by Parliament for Local Loans.

6.—(1.) When Parliament has authorised the advance of any money for the purpose of loans by the Public Works Loan Commissioners, or by the Fishery Board for Scotland, or by the Commissioners of Public Works in Ireland, or by the Irish Land Commissioners, or for the purpose of similar loans by the Treasury, (all which loans are in this Act referred to as Local Loans,) the National Debt Commissioners shall from time to time issue to the said respective Commissioners or Board, or the Treasury, for the purpose of the loans, such sums as may be for the time being required for that purpose, not exceeding in the aggregate, in the case of each of the respective Commissioners and the Board and the Treasury, the amount authorised by Parliament.

(2.) If the Act authorising such advance of money fixes a period during which the money is to be issued, the said money shall be issued by the National Debt Commissioners during that period and not subsequently.

(3.) For the purpose of passing an annual Act of Parliament authorizing advances under this section, the National Debt Commissioners shall not less than two months before the commencement of every financial year send to the Treasury an estimate of the sums required to be issued for local loans in that year for the advance of which an annual Act is necessary.

(4.) The enactments for the time being in force for the regulation of the said Commissioners and Board, and the money at their disposal, and their securities and the proceedings thereon shall, so far as they are consistent with this Act, respectively apply in the case of money issued to those Commissioners and Board in pursuance of this Act.

Establishment of Local Loans Fund and payments of Local Loans thereto.

7.—(1.) There shall be established a Local Loans Fund under the control of the National Debt Commissioners, consisting of such securities and money and applicable to such purposes as are provided by this Act.

(2.) There shall be paid to the National Debt Commissioners in such manner as the Treasury from time to time direct, and carried to the Local Loans Fund, all sums paid or applicable in or towards the discharge of the principal or interest of any Local Loan granted either before or after the passing of this Act, or of any other sum due in respect of such loan, except as otherwise in the Second Schedule to this Act specified; but where any security for a loan is enforced by taking possession, sale, levy of a rate, or otherwise, the net receipts only shall be paid to the National Debt Commissioners in pursuance of this section.

(3.) Accounts shall be kept distinguishing the receipts and expenditure of the Local Loans Fund in respect of capital and in respect of income.

Constitution of Local Loans stock.

8.—(1.) For the purposes of this Act, and subject to the limitations thereof, the Treasury may from time to time create a new class of capital stock consisting of perpetual annuities yielding dividends at the rate of three per cent per annum on the nominal amount of the capital (which stock is in this Act referred to as Local Loans stock).

(2.) Such annuities shall be payable by equal quarterly dividends at such times in each year as may be fixed by the warrant creating the first portion of Local Loans stock, and shall be paid out of the Local Loans Fund, and if such fund is insufficient shall to the extent of such insufficiency be charged on and issued out of the Consolidated Fund or the growing produce thereof, and any sum so issued out of the Consolidated Fund shall be repaid to the Consolidated Fund in manner provided by this Act.

(3.) The Local Loans stock shall not be redeemable until after the expiration of twenty-five years from the commencement of this Act, but after that date may be redeemed at any time, after not less than one month's notice, at the rate of one hundred pounds sterling for every hundred pounds of the capital sums in respect of which the annuities are payable, together with the payment of all arrears of such annuities, including the portions which have accrued since the last date for the payment of dividends.

(4.) Such notice shall be a resolution of the House of Commons, signified by the Speaker in writing, and printed in the "London Gazette," and the portion of stock redeemed at one time shall not be less than five million pounds capital stock, but, subject as aforesaid, the mode of redemption shall be determined by an Act to be hereafter passed.

(5.) The Local Loans stock created from time to time shall be consolidated with the like stock previously created, and all Local Loans stock shall be transferable in the books of the Banks of England and Ireland in like manner as other stocks of three per cent. perpetual annuities, and shall be subject to the enactments relating to those stocks so far as is consistent with the tenor of those enactments and this Act, so, however, that the said enactments shall not create any further charge on the Consolidated Fund than is created by this Act.

(6.) All persons and bodies of persons, including the National Debt Commissioners, having power, whether subject or not to any restrictions or conditions, to invest in any other stock of three per cent perpetual annuities, shall have power, subject to the same restrictions and conditions (if any), to invest in Local Loans stock.

Creation of Local Loans stock in exchange for securities corresponding to amount of Local Loans.

9. Whereas of the sums which have been issued by the Treasury and the National Debt Commissioners for the purpose of Local Loans, the amount outstanding and not repaid or written off is estimated to amount to thirty-seven million two hundred thousand pounds, and it is expedient to provide that such amount should be represented by the like amount of Local Loans stock created in pursuance of this Act, be it therefore enacted as follows:

(1.) The Treasury shall give to the National Debt Commissioners Local Loans stock in exchange for securities held by the said Commissioners on account of trustee savings banks or post office savings banks to an aggregate capital value equivalent to the nominal amount of such Local Loans stock; and the amount of Local Loans stock so given in exchange shall be such nominal amount not exceeding in the whole thirty-seven million two hundred thousand pounds, as may be determined by the Treasury at the time of the exchange to be the amount outstanding in respect of sums issued for Local Loans, and not repaid or written off:

(2.) The National Debt Commissioners shall hold the Local Loans stock given to them in exchange, for the same purposes, and subject to the same provisions, for and subject to which they held the securities received from them in exchange.

Exchange of Local Loans stock with the public.

10. The National Debt Commissioners may from time to time give Local Loans stock to any persons or bodies of persons in exchange for other three per cent. perpetual annuities, upon such terms and in such manner as may be from time to time provided by those Commissioners.

Restitution Fund for replacing loss to Exchequer from Local Loans.

11. Whereas a sum estimated at twelve million pounds or thereabouts has been lost to the Exchequer through the non-repayment by local authorities and individuals of the principal of Local Loans, and it is expedient that part of that sum amounting to six million five hundred thousand pounds or thereabouts, should be treated as a grant by Parliament, and that towards the restitution of the

residue of the sum so lost and such further sums as may hereafter be lost by reason of the like non-repayment, an annual sum should be applied out of the sums receivable for interest on outstanding Local Loans, be it therefore enacted as follows:

(1.) For the purpose of the restitution of the residue of the said sum so lost, and any further losses in respect of Local Loans, an annual sum of one hundred and thirty thousand pounds shall be paid in quarterly instalments out of the Local Loans Fund at such times as the National Debt Commissioners from time to time direct, and shall be carried by the National Debt Commissioners to a separate fund, in this Act referred to as the Restitution Fund:

(2.) All sums from time to time paid to the Restitution Fund shall be applied by the National Debt Commissioners in the reduction of the National Debt in like manner as if such sums were a portion of the new sinking fund under the Sinking Fund Act, 1875: 38 & 39 Vict. c. 45.

(3.) The Treasury shall from time to time lay before Parliament a statement of all losses which the Exchequer suffers by reason of Local Loans, in consequence of an issue out of the Exchequer whether made in respect of the principal of any such loan written off by direction of Parliament, or made for the purpose of paying the dividends on Local Loans stock, or meeting a deficiency in the income account of the Local Loans Fund.

12.—(1.) All sums paid to the Local Loans Fund on account of the interest of Local Loans shall be considered as income of the Local Loans Fund. Income of Local Loans Fund.

(2.) Any money issued out of the Consolidated Fund for the purpose of dividends on the Local Loans stock in any financial year shall be repayable to the Consolidated Fund out of the income during that year of the Local Loans Fund.

(3.) The income account of the Local Loans Fund shall be charged with the payments under this Act in respect of the annual sum payable to the Restitution Fund, and in respect of the dividends on Local Loans stock (whether such latter payments were made directly or by way of repayment to the Consolidated Fund), and with such expenses connected with Local Loans stock as the Treasury from time to time direct.

(4.) If it is shown by the income account of the Local Loans Fund for any financial year that the income is in excess of the expenditure, the excess shall be applied in the payment of such sum in respect of expenses in connexion with Local Loans as the Treasury from time to time direct, and subject to that application, shall be credited in account to the capital of the Local Loans Fund.

(5.) If it is shown by the income account of the Local Loans Fund for any financial year that the income is less than the expenditure, a sum equal to the deficiency shown by the account shall, so far as the same has not been paid out of the Consolidated Fund, be charged on and issued out of the Consolidated Fund or the growing produce thereof.

(6.) All sums issued out of the Consolidated Fund in pursuance of this Act to meet such deficiency, and all sums so issued for the purpose of payment of the dividends on Local Loans stock and not repaid out of the income of the Local Loans Fund, shall be an advance to be repaid out of moneys provided by Parliament.

Capital of Local Loans Fund and creation of stock to supply deficiency.

13.—(1.) All sums paid to the Local Loans Fund on account of the principal of any Local Loan shall be credited in account to the capital of the Local Loans Fund.

(2.) All sums credited to the capital account of the Local Loans Fund in respect either of the principal of Local Loans or of an excess on the income account, shall be treated as a sinking fund for the redemption of Local Loans stock, and may be from time to time invested either in advances under this Act or in the purchase of securities in which the National Debt Commissioners are authorised to invest money held by them on account of trustee savings banks or post office savings banks.

(3.) The said sinking fund may be from time to time applied for the purpose of the purchase or redemption of Local Loans stock, and Local Loans stock so purchased or redeemed shall be forthwith cancelled.

(4.) If at any time there is no part of the said sinking fund which the Commissioners think fit to invest in an advance for Local Loans, and the money otherwise standing to the account of the Local Loans Fund is insufficient to meet the money authorised by Parliament to be advanced for the purpose of Local Loans, and for the time being required for that purpose, the National Debt Commissioners shall certify the same to the Treasury; and thereupon the Treasury shall create such amount of Local Loans stock as appears to them to be required; so, however, that such stock shall not be created in any financial year for raising sums exceeding in the aggregate the amount authorised by Parliament to be advanced during that financial year, after deducting the amount of the said sinking fund which the National Debt Commissioners think fit to invest in advances for Local Loans.

(5.) Instead of creating Local Loans stock as aforesaid, the Treasury may authorise the National Debt Commissioners to borrow temporarily on such terms as may be approved by the Treasury from the Bank of England or Bank of Ireland, or out of any cash balances in the hands of the National Debt Commissioners, available for investment under the Acts relating to trustee or post office savings banks or any other Act, the sum required as above mentioned for the purpose of Local Loans, so, however, that the sum so borrowed shall not increase the total amount authorised to be raised by the National Debt Commissioners in any financial year, and either the amount so borrowed shall be repaid out of the moneys standing to the capital account of the Local Loans Fund or the nominal amount of Local Loans stock authorised to be created under this section shall be reduced by an amount equivalent to the sum so borrowed and not repaid, but Local Loans stock may be created for the purpose of such repayment.

(6.) Where any sum so temporarily borrowed in any financial year has not been repaid, the Treasury may, in any subsequent financial year, in addition to any amount of Local Loans stock

otherwise authorised to be created, create Local Loans stock to such amount as is required to repay the amount so borrowed.

(7.) Any authority given by the Treasury, under this section, to borrow any sum shall be sufficient authority to the Banks of England or Ireland, or the National Debt Commissioners, to advance that sum.

(8.) All sums raised by the creation of Local Loans stock shall be carried to the Local Loans Fund, and placed to the capital account of that fund.

General provisions as to Local Loans Fund.

14.—(1.) Subject to the provisions of this Act, any money for the time being standing to the account of the Local Loans Fund may be applied in payment of any sums charged on such fund and in any advances under this Act for the purpose of Local Loans.

(2.) The National Debt Commissioners may from time to time temporarily apply any money standing for the time being to the account of the Local Loans Fund in the purchase of securities in which they are authorised to invest money held by them on account of trustee savings banks or post office savings banks.

(3.) As regards any securities which the National Debt Commissioners have, in pursuance of this Act, purchased with moneys standing to the account of the Local Loans Fund or of the sinking fund connected therewith, the income thereof shall be considered as income of the Local Loans Fund, and the National Debt Commissioners may from time to time sell and vary the securities, and the proceeds of any such sale shall be carried to the account to which the moneys with which the securities were purchased were standing at the time of the purchase.

Writing off and payment by Parliament of losses on Local Loans.

15.—(1.) Where the whole or any part of the principal of any Local Loan is by reason of the same not being likely to be recovered directed by Parliament to be written off from the account of assets of the Local Loans Fund, the amount of such principal shall be treated as a loss to the Exchequer, to be made good by means of the Restitution Fund under this Act, but nothing in this section shall alter the liability of any person or body corporate to pay the principal of or interest on any Local Loan, or any part thereof.

(2.) Any amount so directed to be written off after the expiration of the current financial year, shall be paid to the National Debt Commissioners out of moneys provided by Parliament, and any sums afterwards recovered, whether for principal or interest in respect of the amount so written off, shall be paid into the Exchequer.

(3.) The amounts directed by this section to be paid to the National Debt Commissioners may be paid either in a capital sum, or by means of a terminable annuity for a period not exceeding ten years, to be calculated with interest at the rate of not less than three per cent. per annum.

(4.) Any sums so paid to the National Debt Commissioners shall be carried to the Local Loans Fund, and be placed to the capital account of that fund and treated as a sum paid on account of the principal of a Local Loan; but if any sums so paid are paid in respect of a terminable annuity, so much thereof as represents interest shall be placed to the income account of the Loans

Fund, and treated as a sum paid on account of the interest of a Local Loan.

Accounts.

16. The National Debt Commissioners shall keep such accounts for the purposes of this Act, as are required by this Act, and subject thereto, as the Treasury from time to time direct, and those accounts shall be audited by the Comptroller General of the receipt and issue of Her Majesty's Exchequer and Auditor General of Public Accounts in accordance with such regulations, and the accounts so audited shall be laid before Parliament in such form, as the Treasury from time to time direct.

Supplemental provisions as to exchange and creation of annuities.

17. For the purposes of this Act, the following provisions shall have effect:

(1.) The exchange of one set of terminable annuities for another set of terminable annuities, and the giving of Local Loans stock to the National Debt Commissioners in exchange for other securities, shall be effected by a warrant of the Treasury to the Bank of England directing them to cancel in their books, as from the date of exchange specified in the warrant, the terminable annuities or securities standing in such names and of such an amount as is mentioned in the warrant, and by the creation (by the same or another warrant) in the same names of such terminable annuities or Local Loans stock as the case requires:

(2.) The creation of terminable annuities and Local Loans stock shall be effected by a warrant from the Treasury to the Bank of England, directing them to inscribe in their books as from the date of creation specified in the warrant, terminable annuities of the amount and for the periods mentioned in the warrant, or, as the case requires, Local Loans stock of the amount mentioned in the warrant:

(3.) For the purpose of an exchange of securities, advances by the National Debt Commissioners in pursuance of section seven of the Public Works Loans Act, 1879, shall be treated as if the amount of each such advance were the like amount of capital stock of perpetual annuities, but the warrant directing the cancellation thereof shall be addressed to the National Debt Commissioners:

42 & 43 Vict. c. 77.

(4.) The amount of any annuities or stock to be cancelled or created shall be certified to the Treasury by the National Debt Commissioners under the hands of the Controller General or Assistant Controller and of the Actuary of the National Debt Office:

(5.) The equivalent capital value shall, save as otherwise provided by this Act, be calculated as follows:

(*a.*) In the case of terminable annuities, the capital value of the existing terminable annuities shall be deemed to be their present value ascertained on the basis of the rate of interest yielded by three per cent. perpetual annuities at the average price of the day, as certified by the Bank of England, on the day of the exchange; and, in calculating the capital value of the new annuities, the interest shall be taken at the same rate;

(*b.*) In the case of securities given by the National Debt Commissioners in exchange for Local Loans stock, the capital value thereof, if perpetual annuities, shall be calculated at the average price of the day as certified by the Bank of England on the day of exchange, and if a charge created under the Public Works Loans Act, 1879, shall be the capital amount of such charge: 42 & 43 Vict. c. 77.

(6.) The date of creation, and the date of exchange shall respectively be, such day as may be in each case agreed on between the Treasury and the National Debt Commissioners:

(7.) The annuities and securities, or any part thereof, directed by any warrant under this Act to be cancelled shall, after the date specified in the warrant, be cancelled, and all payments in respect thereof shall cease:

(8.) Any terminable annuity payable to the National Debt Commissioners under this Act in pursuance of an exchange for any other terminable annuities shall, so far as it represents interest, be dealt with as the dividends on the perpetual annuities which were converted into the said terminable annuities would have been applied, and so far as it represents principal, shall be dealt with by them as moneys received on account of trustee or post office savings banks:

(9.) The warrants of the Treasury issued in pursuance of this Act shall be a sufficient authority to the Bank of England for doing the things thereby directed.

18. For the purpose of calculating the remuneration to be paid to the Banks of England and Ireland respectively for the management of the National Debt, Local Loans stock shall be deemed to form part of the Unredeemed National Debt, but such proportion of the amount payable to the Bank of England or Ireland in respect of remuneration for the management of the National Debt, as corresponds to the amount of Local Loans stock which is deemed as aforesaid to form part of the Unredeemed National Debt, shall be paid to the said banks out of the Local Loans Fund. Remuneration to Banks of England and Ireland.

19. In this Act, unless the context otherwise requires— Definitions.

The expression "Treasury" means the Commissioners of Her Majesty's Treasury:

The expression "National Debt Commissioners" means the Commissioners for the Reduction of the National Debt:

The expression "Bank of England" means the Governor and Company of the Bank of England:

The expression "Bank of Ireland" means the Governor and Company of the Bank of Ireland:

The expression "perpetual annuities" means the perpetual annuities mentioned in the First Schedule to this Act, or any of such annuities:

The expression "trustee savings bank" means a savings bank to which the Trustee Savings Bank Act, 1863, extends: 26 & 27 Vict. c. 87.

The expression "financial year" means the twelve months ending on the thirty-first day of March; and the expression "current "financial year" means the financial year in which this Act is passed.

Commencement of Act.

20. The provisions of this Act shall have effect as from the beginning of the current financial year, which beginning is in this Act referred to as the commencement of this Act.

The Treasury shall adjust all accounts and all receipts and expenditure so as to give effect to this Act as from the commencement thereof, and for that purpose may cause sums to be paid into or out of the Exchequer, and charge any sum on and issue any sum out of the Consolidated Fund or the growing produce thereof, and may direct any other payments to be made by or to the National Debt Commissioners or other bodies affected by this Act.

Repeal of Acts.

21. The Acts set forth in the Third Schedule to this Act are hereby repealed to the extent, and as from the dates, in the third column of that schedule mentioned, or, where no date is so mentioned, as from the commencement of this Act; provided that the repeal of any enactment by this Act shall be without prejudice to anything done or suffered, or any responsibility, or liability, or freedom from responsibility or liability, incurred or acquired previously to the commencement of this Act or any later date at which such repeal takes effect.

SCHEDULES.

FIRST SCHEDULE.

Section 2.

PART I.

PERMANENT ANNUAL CHARGE.

FUNDED DEBT:

Charge for Perpetual Annuities:

New 3*l.* 10*s.* per Cent. Bank Annuities.
3*l.* per Cent. Consolidated Bank Annuities.
3*l.* per Cent. Reduced Bank Annuities.
New 3*l.* per Cent. Bank Annuities.
2*l.* 15*s.* per Cent. Bank Annuities.
2*l.* 10*s.* per Cent. Bank Annuities.

Charge for Terminable Annuities:

1. Annuities for life and terms of years, per 29 Geo. 3. c. 41.; 48 Geo. 3. c. 142.; 10 Geo. 4. c. 24.; 3 Will. 4. c. 14.; 7 & 8 Vict. c. 83.; 16 & 17 Vict. c. 45.; 27 & 28 Vict. c. 43.; and 45 & 46 Vict. c. 51.
2. Red Sea and India Telegraph Company's Annuities, expiring 1908, per 25 & 26 Vict. c. 39.
3. Annuities created by the National Debt Act, 1883 (46 & 47 Vict. c. 54.) or this Act:
   (*a.*) Converted Annuities, representing Annuities which were to expire in 1885, created per 46 & 47 Vict. c. 54. s. 5., and prolonged till 1904, per 48 & 49 Vict. c. 43. s. 2.
   (*b.*) Chancery Funds Annuities, expiring in 1904, per 46 & 47 Vict. c. 54. s. 3, subject to adjustment, per ss. 4 and 8 of same Act.

(*c.*) Annuities to be created under this Act (which may be called Savings Banks Annuities of 1887) in lieu of three sets of Annuities of 1,200,000*l.* each set, expiring in 1889, 1893–4, and 1899, respectively, (called the "Rolling Annuities") created per 46 & 47 Vict. c. 54. s. 2, subject to adjustment, per ss. 4 and 8 of the same Act.

4. Minor Annuities:

(*a.*) Sinking Fund Annuity, created in 1853 to extinguish nominal increase to capital of debt caused by the conversion of 3 per Cent. Stock into 2½ per Cent. Stock, and expiring in 1894, per 33 & 34 Vict. c. 71. s. 69.

(*b.*) Trustee Savings Banks Deficiency Annuity, created in 1881 and expiring in 1908, per 43 & 44 Vict. c. 36.

(*c.*) Annuity created in 1883 in consideration of the cancellation of Consols and creation of similar amount of 2½ per Cent. Stock, and expiring in 1903, per 26 Vict. c. 14., 46 & 47 Vict. c. 54., and 47 Vict. c. 2.

(*d.*) Sinking Fund Annuity created in 1884, to extinguish nominal increase to capital of debt caused by the conversion of 3 per Cent. Stock into 2¾ and 2½ per Cent. Stock, and expiring in 1934, per 47 & 48 Vict. c. 28. s. 3.

Charge for Interest on—

Exchequer Bonds of 1853, issued under 16 & 17 Vict. c. 23.

Charge for Interest on—

Debt to Bank of England;
Debt to Bank of Ireland.

UNFUNDED DEBT:

Charge for Interest on—

Exchequer Bills authorised before the commencement of this Act;
Treasury Bills authorised before the commencement of this Act.

PART II.

Section 2.

CHARGES EXCLUDED FROM PERMANENT ANNUAL CHARGE.

Deferred annuities contracted for since the passing of the Act 27 & 28 Vict. c. 46. (14th July 1864).

The principal and interest of Exchequer bonds issued for the purpose of—

(*a.*) The purchase of Suez Canal shares, or,

(*b.*) A loan for a railway at the Cape of Good Hope under the Cape of Good Hope Advance Act, 1885, 48 & 49 Vict. c. 7.

are not to be charged on the permanent annual charge.

SECOND SCHEDULE.

Section 7.

LOANS EXCLUDED FROM THE LOCAL LOANS FUND ACCOUNT.

Any sums received in respect of—

(*a.*) Suez Canal Shares, or,

(*b.*) Any loan for a railway at the Cape of Good Hope under the Cape of Good Hope (Advance) Act, 1885, or, 48 & 49 Vict. c. 7.

(*c.*) Any loan made out of moneys advanced on the security of the Irish Church Fund,

shall not be paid to the Local Loans Fund.

THIRD SCHEDULE.

Section 21.

ACTS REPEALED.

Note.—A description or citation of a portion of an Act in this schedule is inclusive of the word, section, or other part first or last mentioned, or otherwise referred to as forming the beginning or as forming the end of the portion comprised in the description or citation.

Session and Chapter.	Short Title.	Extent and Date of Repeal.
38 & 39 Vict. c. 45. -	The Sinking Fund Act, 1875.	Section one, from the first "during the financial year" down to "seven hundred "thousand pounds and," also the word "subsequent." Section two.
38 & 39 Vict. c. 89. -	The Public Works Loans Act, 1875.	Section fourteen; section fifteen down to "form part of the "Consolidated Fund," and from "The annuities, whether "terminable or perpetual," down to "in the names di- "rected by the warrant"; section sixteen; and section seventeen. As from the date at which an Act passed in the present session of Parliament authorising the advance of money for Local Loans comes into operation.
40 & 41 Vict. c. 27. -	Public Works Loans (Ireland) Act, 1877.	Section twelve; section thirteen; section fourteen; section fifteen; and section sixteen. As from the date at which an Act passed in the present session of Parliament authorising the advance of money for Local Loans comes into operation.
42 & 43 Vict. c. 77. -	Public Works Loans Act, 1879.	Section seven and section eight as from the date at which an Act passed in the present session of Parliament authorising the advance of money for Local Loans comes into operation, and without prejudice to any charge on the Consolidated Fund of any advance until the security for such advance is exchanged in pursuance of this Act.
43 Vict. c. 15. -	National Debt Act, 1880.	The whole Act.
43 & 44 Vict. c. 36. -	The Savings Bank Act, 1880.	Section one from "and shall be "added to and," down to "amount of the annuity."

Session and Chapter.	Short Title.	Extent and Date of Repeal.
44 & 45 Vict. c. 55. -	National Debt Act, 1881.	Section two from "during "twenty-five years" down to "Sinking Fund Act, 1875," (being sub-section two); and from "but the said annuities" to the end of the section; section three, down to "shall "be adopted" (being sub-sections one, two, and three); and section four.
46 & 47 Vict. c. 54. -	The National Debt Act, 1883.	Section two; and section nine down to "Post Office Savings Banks," (being sub section one); as from the date of the exchange authorised by this Act. Section five and section seven; and schedule.
47 & 48 Vict. c. 2. -	National Debt Act, 1884.	Section three.
47 & 48 Vict. c. 23. -	National Debt (Conversion of Stock) Act, 1884.	Section one down to "for the "purpose of exchange under "this Act" (being sub-section one); section two; section three down to "the said "increase; and" and from "If the said account shows" down to "amount of such "saving" (being sub section two), and from "and the per- "manent annual charge" to the end of the section; section four; section six down to "consent not having been "given" (being the end of sub-section five); and section seven from "the arrange- "ments made by the Trea- "sury" to the end of the section (being sub-sections two and three).
48 & 49 Vict. c. 43. -	The National Debt Act, 1885.	The whole Act.
49 & 50 Vict. c. 19. -	The National Debt Act, 1886.	The whole Act.

CHAPTER 17.

An Act to amend the Metropolis Management Acts.

[12th July 1887.]

WHEREAS since the date of the Metropolis Management Act 1855 (herein-after called "the principal Act") the parish of Saint Mary Battersea has greatly increased in the number of inhabited houses in population and in rateable value so as to