University of Exeter Act, 1957

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ARRANGEMENT OF SECTIONS

Section

1. Short title and commencement.
2. Interpretation.
3. Dissolution of college and transfer of property to University.
4. Transfer of liabilities.
5. Saving for agreements deeds actions etc
6. Saving for existing staff of college.
7. Transfer of power to appoint or nominate.
8. Extension of privileges of graduates.
9. Construction of bequests etc. in favour of college.
10. Charitable Trusts Acts.
11. Pooling of investments.
12. Administration of the investment pools.
13. Certification of capital values of investments.
14. Apportionment of income from pooled investments.
15. Increase or reduction of value of investment unit.
16. Effect of Act on operation of instruments.
17. Authorised securities.
18. Copy of Act to be registered.
19. Costs of Act.

CHAPTER xvii

An Act to dissolve the University College of the South West of England and to transfer all the rights property and liabilities of that college to the University of Exeter and for other purposes.

[17th July 1957.]

WHEREAS a college was established in the year eighteen hundred and ninety-four under the name of Exeter Technical and University Extension College afterwards changed to the Royal Albert Memorial College and in the year nineteen hundred and twenty-two incorporated under the Companies Acts 1908 to 1917 under the name of the University College of the South West of England :

And whereas on the petition of the University College of the South West of England (hereinafter referred to as " the college ") Her Majesty on the twenty-first day of December nineteen hundred and fifty-five granted a charter constituting in the city and county of the city of Exeter a university (hereinafter referred to as " the University ") by the name and style of the University of Exeter with the objects (inter alia) to provide to the full extent which its resources from time to time permit for research and instruction in the humanities and sciences and other spheres of learning and knowledge of a standard and thoroughness required and expected of a university of the highest standing and to secure the advancement of knowledge the diffusion and extension of arts sciences and learning and the provision of a liberal and professional education and to continue and expand the work and activities hitherto carried on by the college and to incorporate the college in the University and to take over its assets liabilities and engagements :

And whereas the court of governors of the college are desirous and it is expedient that the college should be merged in the University and that all rights property and liabilities of the college

should be transferred to and vested in the University as provided by this Act :

And whereas it is expedient to make provision for the pooling of the investments and property of the University and the various trust funds held by or on behalf of the University and as to their investments :

And whereas it is expedient that the other provisions in this Act should be enacted :

And whereas the purposes of this Act cannot be effected without the authority of Parliament :

May it therefore please Your Majesty that it may be enacted and 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 :—

Short title and commencement.

1.—(1) This Act may be cited as the University of Exeter Act 1957.

(2) This Act shall come into operation on the first day of August nineteen hundred and fifty-seven.

Interpretation.

2.—In this Act unless the subject or context otherwise requires the following expressions have the following meanings :—

" the University " means the University of Exeter ;

" the charter " means the charter incorporating the University granted by Her Majesty on the twenty-first day of December nineteen hundred and fifty-five and includes any amendment alteration or addition thereto ;

" the college " means the University College of the South West of England and includes the Exeter Technical and University Extension College the Royal Albert Memorial College and any other predecessor of the college;

" the council " means the council of the University;

" the treasurer " means the treasurer of the University;

" the auditor " means the auditor of the University accounts;

" the appointed day " means the first day of August nineteen hundred and fifty-seven ;

" accounting period " means the yearly period commencing on the first day of August in each year or other the period for which the accounts and financial affairs of the University are for the time being made up arranged and calculated ;

" endowment fund " means a fund which is applicable for the benefit of the University or any work purpose or feature

thereof and the investments of which are for the time being held by and in the name of the University ;

" trustee securities endowment fund " means an endowment fund the investments of which are by reason of the provisions of an instrument (including an Act of Parliament) relating to that fund to be confined to trustee securities ;

" the certified capital value " means in reference to any investment with respect to which the expression is used the capital value of that investment as certified by the treasurer or the auditor (as the case may be) in pursuance of the provisions of section 13 (Certification of capital values of investments) of this Act ;

" the trustee securities pool " means the trustee securities pool set up in pursuance of the provisions of section 11 (Pooling of investments) of this Act ;

" the general pool " means the general investment pool set up in pursuance of the provisions of section 11 (Pooling of investments) of this Act ;

" investment unit " means a share in the trustee securities pool or the general pool as the case may be of the value determined from time to time pursuant to section 15 (Increase or reduction of value of investment unit) of this Act ;

" trustee securities " means securities in which trustees are for the time being by law authorised to invest trust money ;

" commercial investments " has the meaning assigned to that expression by section 17 (Authorised securities) of this Act ;

" authorised securities " means investments which are either trustee securities or commercial investments ;

" shareholding " means in regard to the trustee securities pool or the general pool and in reference to any endowment fund with respect to which the expression is used the aggregate of the investment units in that pool to which such fund is entitled.

Dissolution of college and transfer of property to University.

3.—(1) As from the commencement of this Act the college shall be by virtue of this Act dissolved and cease to exist and all property real and personal of every description (including things in action) and all rights and privileges of the college which immediately before the commencement of this Act belonged to or were vested in or exercisable by the college shall subject to the provisions of this Act be by virtue of this Act without any conveyance transfer or other instrument transferred to vested in and

exercisable by the University for all the estate and interest therein of the college and shall be applied to the objects and purposes for which the University is incorporated.

(2) Any property which by any deed will or other instrument or otherwise is held upon trust for any specific foundation or object of or connected with the college shall after the said transfer be held upon trust for and applied as far as possible to the same foundation or object of or connected with the University :

Provided that any such foundation or object may from time to time be varied or added to by deed under the seal of the University which shall have been approved by a special resolution (as defined in the statutes of the University) of the court of the University but so that the funds and investments or share in an investment pool for the time being allocated to each specific foundation or object shall remain allocated for such specific foundation or object :

Provided also that any such deed of variation or addition shall not be of any validity until the same shall have been submitted to and approved by the Privy Council and a certificate of their approval thereof signed by the Clerk of the Privy Council shall be endorsed on such deed.

(3) Subject to the provisions of subsection (2) of this section any property held by the college upon or subject to any trust or trusts (not being a trust or trusts relating to the objects and purposes for which the University is incorporated) shall be held by the University upon or subject to the trust or trusts upon or subject to which such property was held by the college previously to the transfer.

Transfer of liabilities.

4.—On the commencement of this Act all debts and liabilities of the college shall by virtue of this Act be transferred and attached to the University and shall thereafter be discharged and satisfied by the University.

Saving for agreements deeds actions etc.

5.—All agreements awards contracts deeds and other instruments and all actions and proceedings and causes of action or proceedings which immediately before the commencement of this Act were existing or pending in favour of or against the college shall continue and may be carried into effect enforced and prosecuted by or in favour of or against the University to the same extent or in like manner as if the University instead of the college had been party to or interested in the same respectively.

Saving for existing staff of college.

6.—All professors and other members of and persons attached to or associated with the teaching staff of the college and all salaried or paid officers and servants of the college shall hold as nearly as practicable the same offices and places in the University as they held in the college immediately before the commence-

ment of this Act and upon the same terms and conditions or upon such varied terms and conditions as the council shall decide without prejudice to any existing rights in regard to tenure of office or to salary or other emoluments.

Transfer of power to appoint or nominate.

7.—Any power or right of the college or any officer official or member of the academic staff of the college to appoint or nominate or consent to the appointment or nomination of a member of any authority or of the governing body of any educational charitable or other institution shall on the commencement of this Act be transferred to and may be exercised by the University or the officer official or member of the academic staff of the University holding as nearly as possible a similar position in the University as the case may be and any office whether as trustee or otherwise held by an officer official or member of the academic staff of the college in virtue of his office shall be held by the officer official or member of the academic staff of the University holding as nearly as possible a similar position in the University.

Extension of privileges of graduates.

8.—(1) A degree conferred by the University shall qualify for any office or candidature for an office for which an English university degree qualifies.

(2) A degree conferred by the University shall qualify for any privilege or exemption (being a statutory privilege or exemption or one granted by a public authority or other body including an examining body) for which an English university degree qualifies.

(3) Where an English university degree qualifies for an office or candidature for an office or for a privilege or exemption only if it is a degree of a specific kind or if it is conferred only on candidates in a specific faculty or school references in this section to a degree conferred by the University shall be construed as references to a degree of that kind or conferred on candidates in that faculty or school.

(4) References in this section to a degree include references to a diploma or other distinction.

(5) References in this section to qualification by an English university degree are references to cases where it is not germane to the qualification which university conferred the degree.

Construction of bequests etc. in favour of college.

9.—On and after the commencement of this Act any bequest gift or trust in favour of or connected with the college shall be read and have effect as if the University had been named or referred to therein instead of the college whether such bequest gift or trust is made regulated or constituted by any will scheme deed or document or in any other manner and whether made or executed or taking effect before or after the commencement of this Act.

Charitable Trusts Acts.

10.—The Charitable Trusts Acts 1853 to 1939 shall not extend to property held for the University or any college or hall therein or for the general purposes of the University.

Pooling of investments.

11.—(1) The council shall on the appointed day set up and shall thereafter maintain two investment pools which shall be called respectively "the trustee securities pool" and "the general pool" and shall be administered respectively by the council in the manner provided in this Act.

(2) On or at any time after the appointed day the council may carry into the trustee securities pool any trustee securities and money belonging for the time being to any trustee securities endowment fund.

(3) On or at any time after the appointed day the council may carry into the general pool any investments and money belonging for the time being to any endowment fund other than a trustee securities endowment fund The council shall not carry into the general pool any investment or money belonging to any trustee securities endowment fund.

(4) The aggregate amount of the capital values certified at the date when they are carried in of all the investments and money belonging to any endowment fund which are carried into the trustee securities pool or the general pool (as the case may be) at any one time in pursuance of the provisions of this section shall be divided by the value at that time of an investment unit The result of such division (any fraction amounting to less than one-half being ignored and any fraction amounting to one-half or more being reckoned as one) shall be the number of investment units to which such endowment fund is entitled in virtue of the investments and money so carried in.

Administration of the investment pools.

12.—(1) Any amount of money for the time being in the trustee securities pool and available for investment shall be invested in the name of the University in authorised securities.

(2) Any amount of money for the time being in the general pool and available for investment shall be invested in the name of the University in the purchase of or on the security of such stocks funds shares securities and other investments (including subject to the limitations imposed by the charter land of any tenure or any interest therein) of whatsoever nature and wheresoever and whether involving liability or not and whether or not authorised by law for the investment of trust funds and generally in such manner as the council shall in their uncontrolled discretion think fit.

(3) Any amount of money for the time being comprised in the trustee securities pool or the general pool and awaiting investment may be paid by the council into a bank to a deposit or other account in the name of the University and all interest

(if any) payable in respect thereof shall be applied as if it were income from an investment comprised in that pool.

(4) At any time after the appointed day the council if they for any of the purposes of any endowment fund or in order to separate such fund in whole or in part from the pool require to realise any investment units forming the whole or any part of the shareholding of that fund in the trustee securities pool or the general pool may effect such realisation by cancelling such investment units and withdrawing from the pool in which such investment units are held either—

(*a*) an amount of money equal to the aggregate nominal value of the investment units so cancelled ; or

(*b*) investments the certified capital value of which (as at the date of such withdrawal) is equal to such aggregate nominal value ; or

(*c*) an amount equal to such aggregate nominal value and composed partly of money and partly of investments the certified capital value of which (as at the time of such withdrawal) when added to the amount of such money gives a total amount equal to such aggregate nominal value.

(5) The council may at any time sell any of the investments for the time being comprised in the trustee securities pool or the general pool if such sale is required for the purpose of realisation of any investment units in that pool or is thought by the council expedient.

(6) The council may at any time vary or transpose any investments in either pool for or into others of any nature authorised for such pool but so that the proportion of commercial investments comprised in the trustee securities pool shall not exceed fifty per centum of the value of the whole of that pool immediately after such variation or transposition.

(7) The income arising from the investments comprised from time to time in the trustee securities pool and the general pool respectively shall be dealt with in the manner specified in section 14 (Apportionment of income from pooled investments) of this Act.

Certification of capital values of investments.

13.—Whenever the capital value of any investment requires for any purpose of this Act to be certified the amount of such capital value shall be certified in writing by the treasurer:

Provided that the council may if they think fit require that the value certified by the treasurer shall be revised by the auditor and in that event the auditor after consultation with the treasurer shall certify in writing the capital value of the investment and his certificate shall be substituted for that of the treasurer.

For the purpose of any such certification the treasurer or the auditor as the case may be shall ascertain calculate or estimate the capital value of the investment upon such basis as is in his judgment the most accurate and reliable basis available and in the case of any security for which reliable market prices are available the valuation shall be based on the mid-market price.

Apportionment of income from pooled investments.

14.—(1) The net amount of the aggregate income for any accounting period from the investments comprised in the trustee securities pool or the general pool after deduction of—

(*a*) any expenses of administration of that pool ;

(*b*) any amount which may be retained in that pool in pursuance of the provisions of subsection (2) of this section ; and

(*c*) any amount set aside in pursuance of the provisions of subsection (3) of this section ;

shall be apportioned among the endowment funds entitled to share in that pool in proportion to the numbers of investment units in that pool to which such funds are respectively entitled and in the case of any investment unit or units to which an endowment fund was entitled during only a part of that accounting period after paying due regard to the time during which that fund was so entitled.

(2) The council may retain in the trustee securities pool or the general pool and carry to a reserve fund in the accounts of that pool at the end of any accounting period any such amount of income from the investments comprised in that pool not exceeding four per centum upon the gross aggregate amount of such income for that accounting period as the council may consider it expedient to reserve with a view to supplementing the income from the investments comprised in that pool to be apportioned in any subsequent accounting period and so helping to equalise the rates of the annual distributions of income in respect of that pool The whole or any part of the income thus held in reserve for the time being in the trustee securities pool or the general pool may be applied at the discretion of the council by way of addition to the amount of income otherwise falling to be apportioned in respect of any subsequent accounting period among the endowment funds entitled to share in that pool and as if it were part of that income.

(3) Where any investment of a redeemable or terminable nature has been purchased for or transferred to the trustee securities pool or the general pool at a price which would but for the provisions of this subsection result in a capital loss on the redemption or termination of such investment the council may set aside to a capital redemption account out of the income from the investments comprised in the trustee securities pool

or the general pool as the case may be such sum or sums as in the aggregate shall not be greater than the amount of such capital loss.

(4) Any sums set aside pursuant to subsection (2) or (3) of this section may be invested by the council and the capital and income of such investments shall respectively form part of the capital and income of the trustee securities pool or the general pool as the case may be.

(5) If and when the council in pursuance of the provisions of section 12 (Administration of the investment pools) of this Act withdraw from the trustee securities pool or the general pool or sell any investment in respect of which any sum or sums has or have been set aside to a capital redemption account under this section the amount then standing to the credit of such account in respect of such investment shall be cancelled and enure for the general benefit of the pool to which it relates.

(6) The Council shall apportion between the trustee securities pool and the general pool any expenses of administration incurred jointly for both of those pools in respect of any accounting period.

Increase or reduction of value of investment unit.

15.—(1) The treasurer and the auditor shall as soon as practicable after the end of each accounting period and at any other time if so required by the council respectively make to the council a report on the investments for the time being comprised in the trustee securities pool and in the general pool and if at any time the council after investigation and after receiving such reports shall come to the conclusion that by reason of appreciation or depreciation of the values of investments or by reason of the cancellation of any sum standing to the credit of a capital redemption account in pursuance of the provisions of subsection (5) of section 14 (Apportionment of income from pooled investments) of this Act the aggregate amount of the capital values of the investments and any money for the time being comprised in the trustee securities pool or the general pool is substantially greater or substantially less than the total value of all the investment units in that pool the council shall make such an addition to or reduction of the nominal value of an investment unit in that pool as the council may deem appropriate under the circumstances so as to equate such total value with such aggregate amount.

(2) The initial value of an investment unit shall be five pounds.

Effect of Act on operation of instruments.

16.—This Act shall have effect notwithstanding the provisions of any instrument relating to any endowment fund.

Authorised securities.

17.—In addition to any securities in which trust moneys may be invested under the general law the University may invest

moneys in the trustee securities pool in debentures debenture stock or preferred or ordinary stock or fully paid shares of any company (in this Act called " commercial investments ") subject at the time of investment to the following qualifications :—

(*a*) A commercial investment must have a quotation on the London Stock Exchange ;

(*b*) The proportion of the trustee securities pool which may be invested in commercial investments shall not exceed fifty per centum of the value of the whole of that pool ;

(*c*) No investment shall be made in any company which has not paid at least four per centum on its ordinary capital in each of the five years immediately preceding the investment ;

(*d*) No purchase shall be made of any commercial investment of which there is issued less than one million pounds in nominal value of the debentures stock or shares proposed to be purchased ;

except in the case of a rights issue in respect of debentures stock or shares already held in the trustee securities pool.

Copy of Act to be registered.

18.—(1) The University shall deliver to the Registrar of Companies a printed copy of this Act and he shall retain and register it.

(2) There shall be paid to the registrar by the University on such copy being registered the fee of five shillings.

Costs of Act.

19.—The costs charges and expenses of and incidental to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be defrayed by the University out of income or out of the capital of the property by this Act transferred to the University or if the council think fit out of money to be raised by sale or mortgage of some part of the said property.

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