University of Wales Institute of Science and Technology Act 1968

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ELIZABETH II

1968 CHAPTER xvii

An Act to dissolve the Welsh College of Advanced Technology and to transfer all the rights, property and liabilities of that college to the University of Wales Institute of Science and Technology (Athrofa Gwyddoniaeth a Thechnoleg Prifysgol Cymru); to provide for the pooling of investments and moneys of certain endowment funds of that Institute; and for other purposes. [3rd July 1968]

WHEREAS—

(1) The Cardiff Science and Art Schools were founded in 1866 and after various changes of name became the College of Technology and Commerce:

(2) On 15th March, 1957, the said college was designated by the Minister of Education as a College of Advanced Technology:

(3) By a Declaration of Trust dated 18th April, 1962, the Welsh College of Advanced Technology (hereinafter referred to as "the college") was founded with the objects of providing advanced education in technological, scientific, commercial, liberal and related subjects and for the conduct of research in such subjects and the Trust Deed provided that the college should be administered by a Body of Governors (hereinafter referred to as "the governing body"):

(4) On the petition of the governing body, Her Majesty on the 11th December, 1967, granted a charter constituting and founding a University College of the University of Wales by the name and style of "The University of Wales Institute of Science and Technology" ("Athrofa Gwyddoniaeth a Thechnoleg Prifysgol Cymru") (hereinafter referred to as "the Institute") for, among other things, the advancement of knowledge, wisdom, understanding and professional competence in all branches of education and in particular in the fields of applied science and technology and with power to enter into an agreement with the college for the incorporation of the college in the Institute and for taking over all or any part of the rights, properties and liabilities of the college:

(5) The governing body are desirous and it is expedient that the college should be incorporated within the Institute and that all property, rights, privileges and liabilities of the college should be transferred to and vested in the Institute as provided by this Act:

(6) It is expedient to make provision whereby any bequest, gift or trust which may have been or which may be made in favour of the college should take effect in favour of and be administered by the Institute:

(7) It is expedient to make provision for the pooling of the investments of the Institute and the various trust funds held by or on behalf of the Institute and as to their investment:

(8) 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:—

PART I

PRELIMINARY

Short title.

1. This Act may be cited as the University of Wales Institute of Science and Technology Act 1968.

Division of Act into Parts.

2. This Act is divided into Parts, as follows:—

Part I.—Preliminary.

Part II.—Dissolution of college and transfers to Institute.

Part III.—Investment pools.

Part IV.—General.

PART I —*cont.*

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

"the charter" means the charter constituting the Institute granted by Her Majesty on 11th December, 1967, and includes any amendment, alteration or addition thereto;

"the college" means the Welsh College of Advanced Technology, and includes the governing body thereof;

"the council" means the council of the Institute;

"the Institute" means The University of Wales Institute of Science and Technology (Athrofa Gwyddoniaeth a Thechnoleg Prifysgol Cymru).

PART II

DISSOLUTION OF COLLEGE AND TRANSFERS TO INSTITUTE

4.—(1) On the passing of this Act, the college shall by virtue of this Act be dissolved and cease to exist and all property, real and personal, of every description, including things in action, and rights and privileges of the college which immediately before the passing 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 Institute for all the estate and interest therein of the college and shall be applied to the objects and purposes for which the Institute is constituted. Dissolution of college and transfer of property to Institute.

(2) Any property which by any scheme, 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 for the same foundation or object of or connected with the Institute:

Provided that any such foundation or object may from time to time be varied or added to by deed under the seal of the Institute which shall have been approved by a special resolution (as defined in the charter) of the council, but so that the funds and investments which 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

PART II —*cont.*

approval thereof signed by the clerk of the Privy Council or by any other person authorised by the Privy Council in that behalf 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 Institute is constituted) shall be held by the Institute upon or subject to the trust or trusts upon or subject to which such property was held by the college before the passing of this Act.

Transfer of liabilities.

5. On the passing of this Act all debts and liabilities of the college shall, by virtue of this Act, be transferred and attached to the Institute and shall thereafter be discharged and satisfied by the Institute.

Saving for agreements, deeds, etc.

6. All agreements, awards, contracts, deeds and other instruments which immediately before the passing of this Act were existing in favour of or against the college shall continue and may be carried into effect and enforced by or in favour of or against the Institute to the same extent or in like manner as if the Institute instead of the college had been party to or interested in the same respectively.

Construction of bequests, etc., in favour of college.

7. On and after the passing 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 Institute 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 passing of this Act.

Saving for actions, etc.

8. All actions and proceedings and causes of action or proceedings which immediately before the passing of this Act were existing or pending in favour of or against the college shall continue and may be prosecuted by or against the Institute to the same extent or in like manner as if the Institute instead of the college had been party to or interested in the same respectively.

Transfer of power to appoint or nominate.

9. Any power or right of the college to appoint or nominate a member of any education authority or of the governing body of any educational, charitable or other institution shall, on the passing of this Act, be transferred to and may be exercised by the Institute.

Institute to be exempt charity.
1960 c. 58.

10. The Institute, so far as it is a charity, shall be an exempt charity for the purposes of the Charities Act, 1960.

PART II —*cont.*

. No person shall, within a period of twenty-five years after commencement of this Act, without the consent of the tute, use the name " Welsh College of Advanced Technology " onnection with any educational establishment other than college.

Restriction on use of name of college.

PART III

INVESTMENT POOLS

2. In this Part of this Act, unless the subject or context erwise requires—

Definitions in Part III.

" accounting period " means the yearly period commencing on 1st August in each year or other the period for which the accounts and financial affairs of the Institute are for the time being made up, arranged and calculated;

" auditor " means the auditor of the Institute;

" 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 auditor in pursuance of the provisions of section 16 (Certification of capital values of investments) of this Act;

" endowment fund " means a fund which is applicable for the benefit of the Institute 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 Institute;

" general pool " means the general investment pool set up in pursuance of the provisions of section 14 (Pooling of investments) of this Act;

" investment unit " means a share in the trustee investments pool or the general pool, as the case may be, of the value determined from time to time pursuant to section 18 (Increase or reduction of value of investment unit) of this Act;

" operative date " means such date as the council may by resolution passed in pursuance of section 13 (Adoption of Part III) of this Act determine;

" shareholding " means, in regard to the trustee investments 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;

PART III —*cont.*

"trustee investments 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 investments for the time being authorised by law for the investment of trust property;

"trustee investments pool" means the trustee investments pool set up in pursuance of the provisions of section 14 (Pooling of investments) of this Act.

Adoption of Part III.

13. If the council so resolve, the provisions of this Part of this Act shall apply to the Institute and the council on and after such date as may be determined in the resolution.

Pooling of investments.

14.—(1) The council shall, on the operative date, set up and shall thereafter maintain two investment pools which shall be called respectively "the trustee investments pool" and "the general pool" and shall be administered by the council in the manner provided in this Act.

(2) On, or at any time after, the operative date, the council may carry into the trustee investments pool any such investments and money as belong for the time being to any trustee investments endowment fund.

(3) On, or at any time after, the operative date, the council may carry into the general pool any such investments and money as belong for the time being to any endowment fund:

Provided that the council shall not carry into the general pool any investment or money belonging to any trustee investments endowment fund.

(4) The aggregate amount of the certified capital value 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 investments 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 by virtue of the investments and money so carried in.

Administration of the investment pools. 1961 c. 62.

15.—(1) Any money for the time being in the trustee investments pool and available for investment shall be invested in the name of the Institute in any manner authorised by section 1 of the Trustee Investments Act, 1961, as if the trustee investments pool were a trust fund:

PART III —*cont.*

Provided that—

(*a*) in its application to the powers of investment conferred by the said section 1, section 2 of the said Act of 1961 shall have effect, subject to the provisions of subsection (8) of this section, as if —

(i) in subsection (1) of that section for the words " the parts being, subject to the provisions of this Act, equal in value at the time of the division ", there were substituted the words " the value of the wider-range part at the time of the division bearing to the then value of the narrower-range part the proportion of two to one ";

(ii) in paragraph (*b*) of subsection (3) of that section, for the words " each part of the fund is increased by the same amount " there were substituted the words " the wider-range part of the fund is increased by an amount which bears to the amount by which the narrower-range part of the fund is increased the proportion of two to one ":

(*b*) nothing in section 3 or section 4 of the said Act of 1961 shall apply to the exercise of the powers of this Act.

(2) Any money for the time being in the general pool and available for investment shall be invested in the name of the Institute in the purchase of or on the security of such stocks, funds, shares, securities and other investments (including 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 absolute discretion, think fit.

(3) Any money for the time being comprised in the trustee investments 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 Institute 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 operative date 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, decide to realise any investment units forming the whole or any part of the share-holding of that fund in the trustee investments 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

PART III —*cont.*

(*b*) investments the certified capital value of which 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 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 investments 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 to be expedient.

(6) The council may at any time vary or transpose any investments in either pool for or into other investments of any nature authorised for such pool, but subject, in the case of the variation or transposition of investments comprised in the trustee investments pool, to the provisions of the Trustee Investments Act, 1961, as modified by subsection (1) of this section.

1961 c. 62.

(7) The income arising from the investments comprised from time to time in the trustee investments pool and the general pool respectively shall be dealt with in the manner specified in section 17 (Apportionment of income from pooled investments) of this Act.

(8) If the Treasury by order under subsection (1) of section 13 of the said Act of 1961 prescribe a proportion greater than two to one, subsection (1) of this section shall be amended by the substitution in paragraph (i) and in paragraph (ii) of proviso (*a*) thereto, of the proportion so prescribed for the proportion of two to one.

Certification of capital values of investments.

16. 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 auditor. For the purpose of such certification the auditor 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.

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

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

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

PART III —*cont.*

(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 the pool in proportion to the numbers of investment units in the 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 pool and carry to a reserve fund in the accounts of the pool at the end of any accounting period any such amount of income from the investments comprised in the pool, not exceeding such percentage as the council may by resolution from time to time determine of 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 the 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 the pool. The whole or any part of the income thus held in reserve for the time being in the 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 the pool and as if it were part of that income.

(3) The council may retain in the pool and carry to a capital redemption account in the accounts of the pool at the end of any accounting period any such amount of income from the investments comprised in the pool not exceeding such percentage as the council may by resolution from time to time determine of the gross aggregate amount of such income for that accounting period as the council may consider it expedient to set aside to meet capital losses.

(4) Any sums set aside pursuant to subsection (2) or (3) of this section shall be invested by the council in the same manner as that in which money for the time being in the pool and available for investment is required to be invested in pursuance of the provisions of section 15 (Administration of the investment pools) of this Act and the capital and income of such investments shall respectively form part of the capital and income of the pool.

(5) If an investment is redeemed or terminated or, in pursuance of the provisions of section 15 (Administration of the investment pools) of this Act, withdrawn from the pool or sold, the council may deduct a sum, being not greater than the capital loss, if any,

PART III —*cont.*

resulting from such redemption, termination, withdrawal or sale, from the capital redemption account of the pool, and may apply it at their discretion in meeting the capital loss.

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

(7) For the purpose of this section, "the pool" means the trustee investments pool and the general pool, and each of them.

Increase or reduction of value of investment unit.

18.—(1) 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, make to the council a report on the investments for the time being comprised in the trustee investments pool and in the general pool, and if at any time the council, after investigation and after receiving such report, shall come to the conclusion that by reason of appreciation or depreciation of the values of investments or by reason of the deduction of any sum standing to the credit of a capital redemption account in pursuance of the provisions of subsection (5) of section 17 (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 investments 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 in 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.

19. This Part of this Act shall have effect notwithstanding the provisions of any instrument relating to any endowment fund.

Exclusion of sections 1 and 14 of Prevention of Fraud (Investments) Act, 1958.
1958 c. 45.

20. The provisions of sections 1 and 14 of the Prevention of Fraud (Investments) Act, 1958 (which except in certain cases respectively prohibit the carrying on of the business of dealing in securities without a licence and the distribution or possession for distribution of certain circulars), shall not apply to any dealings undertaken by or on behalf of the Institute in connection with the setting up or operation of the trustee investments pool or the general pool, or to the distribution in that connection by or on behalf of the Institute of any document or to the possession of any document for the purpose of such distribution.

PART IV

GENERAL

Costs of Act.

11. The costs, charges and expenses preliminary to, and of and incidental to, the preparing, applying for, obtaining and passing this Act, or otherwise in relation thereto, shall be paid by the Institute.

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