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**Changes to legislation:** Building Societies Act 1986, Cross Heading: Significant holdings in undertakings other than subsidiary undertakings is up to date with all changes known to be in force on or before 22 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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## SCHEDULES

### [<sup>F1</sup>SCHEDULE 10B

#### DISCLOSURES ABOUT RELATED UNDERTAKINGS REQUIRED IN NOTE TO ACCOUNTS

##### Textual Amendments

- F1** Schs. 10A, 10B inserted (22.12.2004) (with effect in accordance with art. 1(2) of the amending S.I.) by [The Building Societies Act 1986 \(International Accounting Standards and Other Accounting Amendments\) Order 2004 \(S.I. 2004/3380\)](#), art. 1, [Sch. para. 9](#)

#### PART 1

##### SOCIETIES NOT REQUIRED TO PREPARE CONSOLIDATED GROUP ACCOUNTS

###### *Significant holdings in undertakings other than subsidiary undertakings*

5. (1) The information required by paragraphs 6 and 7 must be given where at the end of the financial year the society has a significant holding in an undertaking which is not a subsidiary undertaking of the society.
- (2) A holding is significant for this purpose if–
- (a) it amounts to 20 per cent or more of the nominal value of the shares in the undertaking; or
  - (b) the amount of the holding (as stated or included in the society's accounts) exceeds one-fifth of the amount (as so stated) of the society's assets.
6. (1) The name of the undertaking must be stated.
- (2) There must be stated–
- (a) if the undertaking is incorporated outside the United Kingdom, the country in which it is incorporated; and
  - (b) if it is unincorporated, the address of its principal place of business.
- (3) There must also be stated–
- (a) the identity of each class of shares in the undertaking held by the society; and
  - (b) the proportion of the nominal value of the shares of that class represented by those shares.
- (4) Information otherwise required by this paragraph need not be given if it is not material–
- (a) in the case of Building Societies Act accounts, for the purpose of giving a true and fair view for the society of the matters set out in section 72B(2) or, where appropriate, section 72F(2), or

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- (b) in the case of IAS accounts, to the requirement under [<sup>F2</sup>UK-adopted international accounting standards] that such accounts achieve a fair presentation.

#### Textual Amendments

**F2** Words in Sch. 10B para. 6(4)(b) substituted (31.12.2020) by [The International Accounting Standards and European Public Limited-Liability Company \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/685\)](#), reg. 1(2), **Sch. 1 para. 37(b)** (with reg. 1(3)(4), Sch. 1 para. 66) (as amended by S.I. 2020/523, regs. 1(2), 22, **25(d)**); 2020 c. 1, Sch. 5 para. 1(1)

7. (1) There must also be stated—
- (a) the aggregate amount of the capital and reserves of the undertaking as at the end of its relevant financial year, and
  - (b) its profit or loss for that year.
- (2) That information need not be given if the investment of the society in all undertakings in which it has a significant holding is shown, in aggregate, in the notes to the accounts by way of the equity method of valuation.
- (3) That information need not be given in respect of an undertaking if
- (a) the undertaking is not required by any provision of [<sup>F3</sup>the Companies Act 2006] to deliver a copy of its balance sheet for its relevant financial year and does not otherwise publish that balance sheet in the United Kingdom or elsewhere, and
  - (b) the society’s holding is less than 50 per cent of the nominal value of the shares in the undertaking.
- (4) Information otherwise required by this paragraph need not be given if it is not material—
- (a) in the case of Building Societies Act accounts, for the purpose of giving a true and fair view for the society of the matters set out in section 72B(2) or, where appropriate, section 72F(2), or
  - (b) in the case of IAS accounts, to the requirement under [<sup>F4</sup>UK-adopted international accounting standards] that such accounts achieve a fair presentation.
- (5) For the purposes of this paragraph the “relevant financial year” of an undertaking is—
- (a) if its financial year ends with that of the society, that year, and
  - (b) if not, its financial year ending last before the end of the society’s financial year.]

#### Textual Amendments

**F3** Words in Sch. 10B para. 7(3)(a) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), art. 2(2), **Sch. 1 para. 111(2)** (with arts. 6, 11, 12)

**F4** Words in Sch. 10B para. 7(4)(b) substituted (31.12.2020) by [The International Accounting Standards and European Public Limited-Liability Company \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/685\)](#), reg. 1(2), **Sch. 1 para. 37(b)** (with reg. 1(3)(4), Sch. 1 para. 66) (as amended by S.I. 2020/523, regs. 1(2), 22, 25(d)); 2020 c. 1, Sch. 5 para. 1(1)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 5(11)-(14) inserted by [2007 c. 26 s. 1\(2\)](#)
- s. 5(13)(a) substituted by [S.I. 2013/496 Sch. 8 para. 4\(4\)](#)
- s. 7(6A)-(6C) inserted by [2007 c. 26 s. 1\(1\)\(a\)](#)
- s. 7(8A) inserted by [2007 c. 26 s. 1\(1\)\(c\)](#)
- s. 176ZB excluded by [S.I. 2017/400 reg. 14](#)
- s. 246ZA-246ZC excluded by [S.I. 2017/400 reg. 15](#)
- s. 246ZD excluded by [S.I. 2017/400 reg. 16](#)