
 STATUTORY INSTRUMENTS

1984 No. 1169

COMPANIES

**The Companies Acts (Pre-Consolidation Amendments) (No. 2)
Order 1984**

Laid before Parliament in draft

Made - - - - - 31st July 1984
 Coming into operation in accordance with
 section 116(2) of the
 Companies Act 1981 (a)

At the Court at Buckingham Palace, the 31st day of July 1984

Present,

The Queen's Most Excellent Majesty in Council

Whereas Her Majesty may by Order in Council under section 116 of the Companies Act 1981 make such amendments of the Companies Acts (within the meaning given to that citation by subsection (4) of that section) and of any other enactment relating to companies, whenever passed, as may be jointly recommended by the Law Commission and the Scottish Law Commission as desirable to enable a satisfactory consolidation of the whole or the greater part of the Companies Acts to be produced:

And whereas the Law Commission and the Scottish Law Commission, in a report to the Lord Chancellor and the Lord Advocate, which report has been laid before Parliament by Command of Her Majesty (b), have jointly recommended certain amendments of the Companies Acts 1948 to 1983 as desirable for the purpose above-mentioned:

And whereas a draft of this Order has been laid before Parliament and has been approved by a resolution of each House:

Now, therefore, Her Majesty, in pursuance of section 116 of the Companies Act 1981, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

A. Amendments of the Companies Act 1948 (c)

1. In section 152A of the Companies Act 1948, in subsection (2), for the words from “the end of its financial year” to the end of the subsection there shall be substituted—

“the end of its relevant financial year, that is—

- (a) if its financial year ends with that of the holding company, that financial year, and

(a) 1981 c.62.

(b) Cmnd. 9272.

(c) 1948 c.38.

(b) if not, the subsidiary's financial year ending last before the end of the financial year of the holding company dealt with in the group accounts,

and with the subsidiary's profit or loss for its relevant financial year.”.

2. At the end of section 187 of the Companies Act 1948, the following subsection shall be added—

“(5) The power under section 193(2) of the Criminal Procedure (Scotland) Act 1975 to substitute a fine for a period of imprisonment shall, in relation to a conviction on indictment under subsection (1) of this section, be construed as including a power to impose such fine in addition to that period of imprisonment.”.

3. At the end of section 328 of the Companies Act 1948, the following subsection shall be added—

“(4) The power under section 193(2) of the Criminal Procedure (Scotland) Act 1975 to substitute a fine for a period of imprisonment shall, in relation to a conviction on indictment under subsection (2) of this section, be construed as including a power to impose such fine in addition to that period of imprisonment.”.

B. Amendments of the Companies (Floating Charges and Receivers) (Scotland) Act 1972 (a)

4. At the end of section 11 of the Companies (Floating Charges and Receivers) (Scotland) Act 1972, the following subsection shall be added—

“(7) The power under section 193(2) of the Criminal Procedure (Scotland) Act 1975 to substitute a fine for a period of imprisonment shall, in relation to a conviction on indictment under subsection (4) of this section, be construed as including a power to impose such fine in addition to that period of imprisonment.”.

5. In section 32 of the Companies (Floating Charges and Receivers) (Scotland) Act 1972, in subsection (2), after the word “Act” there shall be inserted the words “except section 6 and the Schedule”.

C. Amendments of the Companies Act 1980 (b)

6. In section 53 of the Companies Act 1980, in subsection (4), after the word “transaction” there shall be inserted the words “or arrangement”.

7. In section 64 of the Companies Act 1980, in subsection (1), at the end of paragraph (d) there shall be inserted—

“or

(e) a Scottish firm in which—

(i) that director is a partner,

(ii) a partner is a person who, by virtue of paragraph (a), (b) or (c) above, is connected with that director, or

(iii) a partner is a Scottish firm in which that director is a partner or in which there is a partner who, by virtue of paragraph (a), (b) or (c) above, is connected with that director,”.

(a) 1972 c.67.

(b) 1980 c.22.

D. Amendments of the Companies Act 1981

8. In section 4 of the Companies Act 1981, in subsection (3), for the words from “(a) the aggregate amount” to the end of the subsection there shall be substituted—

“the aggregate amount of the capital and reserves of that body corporate as at the end of its relevant financial year, and its profit or loss for that financial year; and for this purpose the relevant financial year is—

- (a) if the financial year of the body corporate ends with that of the company giving the information in a note to its accounts, that financial year, and
- (b) if not, the body corporate’s financial year ending last before the end of the financial year of the company giving that information.”.

9. In section 4 of the Companies Act 1981, in subsection (6)(a), for the words “the financial year mentioned in subsection (3)(a)” there shall be substituted the words “its relevant financial year mentioned in subsection (3)”.

10. In section 9 of the Companies Act 1981, in subsection (6), for the words “the financial year of the subsidiary ending with or last before that of the holding company to which the group accounts relate” there shall be substituted the words “its relevant financial year”; and after that subsection there shall be added—

“(7) For the purposes of subsection (6), the relevant financial year of the subsidiary is—

- (a) if its financial year ends with that of the holding company to which the group accounts relate, that financial year, and
- (b) if not, the subsidiary’s financial year ending last before the end of the financial year of the holding company.”.

E. Citation and commencement

11. This Order may be cited as the Companies Acts (Pre-Consolidation Amendments) (No. 2) Order 1984 and shall come into operation under and in accordance with section 116(2) of the Companies Act 1981.

N. E. Leigh,
Clerk of the Privy Council.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order makes certain further amendments of the Companies Acts 1948 to 1983, in connection with the consolidation of those Acts. The power to make such amendments (which has already been once exercised, in the Companies Acts (Pre-Consolidation Amendments) Order 1984 (S.I. 1984 No. 134)) derives from section 116 of the Companies Act 1981, and is exercisable on the basis of recommendations made by the Law Commission and the Scottish Law Commission acting jointly. The amendments will come into force simultaneously with the coming into force of the Consolidation Acts. Each of the amendments made by the Order is the subject of a recommendation by the two Commissions as published in their report (Cmnd. 9272). For an explanation of any amendment reference may be had to the corresponding recommendation in that report.

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