

Status: Point in time view as at 25/07/1991. This version of this Instrument contains provisions that are prospective.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Building Societies Act 1986 (Modifications) Order 1991. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

STATUTORY INSTRUMENTS

1991 No. 1729

BUILDING SOCIETIES

The Building Societies Act 1986 (Modifications) Order 1991

Approved by resolution of both Houses of Parliament

Made - - - - 25th July 1991

Coming into force - - 1st January 1993

Modifications having been made to the statutory provisions in force in Great Britain and Northern Ireland relating to the group accounts of companies⁽¹⁾ it appears to the Treasury to be expedient to modify provisions of the Building Societies Act 1986⁽²⁾ for the purpose of assimilating the law relating to companies and the law relating to building societies, and accordingly, in exercise of the powers conferred on them by section 104 of the Building Societies Act 1986, and of all other powers enabling them in that behalf, the Treasury hereby make the following Order, a draft of which has been laid before and approved by resolution of each House of Parliament:

PROSPECTIVE

Citation and commencement

1. This Order may be cited as the Building Societies Act 1986 (Modifications) Order 1991 and shall come into force on 1st January 1993.

Commencement Information

II Art. 1 in force at 1.1.1993, see [art. 1](#)

Interpretation

2. In this Order—

“the Act” means the Building Societies Act 1986.

- (1) Relevant modifications are those made to the Companies Act 1985 (1985, c. 6) by sections 1, 5, 21 and 22 of, and Schedule 9 to, the Companies Act 1989 (c. 40) and to the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)) by Articles 7, 23 and 24 of, and Schedule 9 to the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (N.I. 5)).
- (2) 1986 c. 53.

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Commencement Information

I2 Art. 2 in force at 1.1.1993, see [art. 1](#)

Modification of Part VIII of the Building Societies Act 1986

3. There shall be substituted for the words “subsidiary” or “subsidiaries” wherever they occur in Part VIII (Accounts and Audit) of the Act the words “subsidiary undertaking” or “subsidiary undertakings”.

Commencement Information

I3 Art. 3 in force at 1.1.1993, see [art. 1](#)

Modification of section 72 of the Building Societies Act 1986

4. Section 72 of the Act shall be modified as follows—

- (1) In subsection (2) the words “Except as provided in subsection (5) below”, shall be omitted.
- (2) Subsections (5) and (6) shall be omitted.

Commencement Information

I4 Art. 4 in force at 1.1.1993, see [art. 1](#)

Insertion of definition of subsidiary undertaking in section 119(1) of the Act

5. There shall be inserted in section 119(1) of the Act between the definitions of “subsidiary” and “summary financial statement” the following definition:

““Subsidiary undertaking” shall be construed in accordance with the provisions of section 258 of the Companies Act 1985, read in conjunction with sections 259 and 260 of, and Schedule 10A to, that Act;”.

Commencement Information

I5 Art. 5 in force at 1.1.1993, see [art. 1](#)

25th July 1991

Thomas Sackville
Nicholas Baker
Two of the Lords Commissioners of the
Treasury

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PROSPECTIVE

EXPLANATORY NOTE

(This note is not part of the Order)

This Order is made under section 104 of the Building Societies Act 1986 for the purpose of assimilating in two respects the law relating to building societies to that relating to companies in Great Britain and Northern Ireland.

Firstly, following the substitution of a new section 229 in the Companies Act 1985 by sections 1 and 5 of the Companies Act 1989, it repeals the statutory exemptions from including the accounts of subsidiary undertakings of a building society in the society's group accounts. (Article 4.) The relevant modifications of the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)) were made by Article 7 of the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (N.I. 5)).

Secondly, following the substitution of new sections 258, 259 and 260 of the Companies Act 1985 by sections 1, 21(1) and 22 of and the insertion of schedule 10A into the 1985 Act by sections 1 and 21(2) of, and schedule 9 to, the Companies Act 1989, Articles 3 and 5 redefine (for the provisions relating to accounts in the Building Societies Act 1986) subsidiaries as subsidiary undertakings, in the terms laid down for companies' accounts by the corresponding provisions of the modified Companies Act 1985. The relevant modifications of the Companies (Northern Ireland) Order 1986 were made by Articles 23 and 24 of, and Schedule 9 to the Companies (Northern Ireland) Order 1990.

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