



# British Technology Group Act 1991

## 1991 CHAPTER 66

### *Vesting of property etc. of NRDC and NEB in a successor company*

#### **1 Vesting of property etc. of NRDC and NEB in a successor company.**

(1) On such day as the Secretary of State may by order appoint all the property, rights and liabilities to which—

- (a) the National Research Development Corporation; or
- (b) the National Enterprise Board,

was entitled or subject immediately before that day shall, subject to section 2 below, become by virtue of this section property, rights and liabilities of a company nominated for the purposes of this section by the Secretary of State; and references in this Act to the appointed day or to the successor company are references to the day so appointed or to the company so nominated respectively.

<sup>F1</sup>(2) .....

(3) References in this Act to property, rights and liabilities of the Corporation or Board are references to all such property, rights and liabilities, whether or not capable of being transferred or assigned by the Corporation or Board.

(4) It is hereby declared for the avoidance of doubt that—

- (a) any reference in this Act to property of the Corporation or Board is a reference to property of the Corporation or Board whether situated in the United Kingdom or elsewhere; and
- (b) any reference in this Act to rights or liabilities of the Corporation or Board is a reference to rights to which the Corporation or Board is entitled, or (as the case may be) liabilities to which it is subject, whether under the law of the United Kingdom or of any part of the United Kingdom or under the law of any country or territory outside the United Kingdom.

<sup>F2</sup>(5) .....

(6) Schedule 1 to this Act shall have effect for the purpose of supplementing the provisions of this section.

*Changes to legislation: There are currently no known outstanding effects for the British Technology Group Act 1991. (See end of Document for details)*

**Subordinate Legislation Made**

**P1** S. 1(1): power of appointment conferred by s. 1(1) fully exercised by [S.I.1991/2721](#)

**Textual Amendments**

**F1** S. 1(2) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**F2** S. 1(5) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**F<sup>3</sup>2 Extinguishment of NRDC reserve and NEB public dividend capital.**

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**Textual Amendments**

**F3** Ss. 2-7 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

*Provisions relating to Government holdings in successor company*

**F<sup>3</sup>3 Initial Government holding in the successor company.**

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**Textual Amendments**

**F3** Ss. 2-7 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**F<sup>3</sup>4 Government investment in securities of the successor company.**

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**Textual Amendments**

**F3** Ss. 2-7 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**F<sup>3</sup>5 Exercise of functions through nominees.**

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**Textual Amendments**

**F3** Ss. 2-7 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**F<sup>3</sup>6 Target investment limit for Government shareholding.**

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*Changes to legislation: There are currently no known outstanding effects for the British Technology Group Act 1991. (See end of Document for details)*

**Textual Amendments**

**F3** Ss. 2-7 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**<sup>F3</sup>7 Offers for sale of securities etc.**

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**Textual Amendments**

**F3** Ss. 2-7 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

*Financial provisions relating to successor company*

**8 Financial structure of successor company.**

(1) If the aggregate nominal value of the securities of the successor company issued in pursuance of section 3 above is for the time being less than the amount of the reserve and public dividend capital extinguished by virtue of section 2 above a sum equal to the amount of the difference shall be carried by the successor company to a reserve (“the statutory reserve”).

(2) The statutory reserve may only be applied by the successor company in paying up unissued shares of the company to be allotted to its members as fully paid bonus shares.  
<sup>F4</sup> ...

<sup>F5</sup>(3) .....

(4) Notwithstanding subsection (2) above, no part of the statutory reserve shall count as an undistributable reserve of the successor company for the purposes of [<sup>F6</sup>section 831(4) (d) of the Companies Act 2006] (restriction on distribution of assets); but for the purpose of determining under [<sup>F7</sup>section 831] whether the successor company may make a distribution at any time, any amount for the time being standing to the credit of the statutory reserve (excluding any amount which under subsection (2) above is authorised to be, but has not yet been, applied as if it were profits available for distribution) shall be treated for the purposes of [<sup>F8</sup>section 831(4)(c)] as if it were unrealised profits of the company.

(5) For the purposes of any statutory accounts of the successor company—  
(a) all the property, rights and liabilities to which the Corporation or Board was entitled or subject immediately before the end of the last financial year of the Corporation or Board ending before the appointed day shall be taken to have been vested in the successor company by virtue of section 1 above, and to have been so vested immediately after the end of that year; and  
(b) the value or amount (as at the time of vesting) of any asset or liability of the Corporation or Board taken to have been vested in the successor company by virtue of paragraph (a) above shall be taken to be the value or (as the case may be) the amount assigned to that asset or liability for the purposes of the corresponding statement of accounts prepared by the Corporation or Board in respect of the financial year referred to in that paragraph.

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*Changes to legislation: There are currently no known outstanding effects for the British Technology Group Act 1991. (See end of Document for details)*

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- (6) For the purposes of any statutory accounts of the successor company the amount to be included in respect of any item shall be determined as if anything done by the Corporation or Board (whether by way of acquiring, revaluing or disposing of any asset, or incurring, revaluing or discharging any liability, or by carrying any amount to any provision or reserve, or otherwise) had been done by the successor company.

Accordingly (but without prejudice to the generality of the preceding provision) the amount to be included from time to time in any reserves of the successor company as representing its accumulated realised profits shall be determined as if any profits realised and retained by the Corporation or Board had been realised and retained by the company.

- (7) References in this section to the statutory accounts of the successor company are to any accounts prepared by that company for the purposes of any provision of [<sup>F9</sup>the Companies Act 2006] (including group accounts).

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**Textual Amendments**

- F4** Words in s. 8(2) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2
- F5** S. 8(3) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2
- F6** Words in s. 8(4) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), [Sch. 1 para. 181\(2\)\(a\)](#) (with arts. 6, 11, 12)
- F7** Words in s. 8(4) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), [Sch. 1 para. 181\(2\)\(b\)](#) (with arts. 6, 11, 12)
- F8** Words in s. 8(4) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), [Sch. 1 para. 181\(2\)\(c\)](#) (with arts. 6, 11, 12)
- F9** Words in s. 8(7) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), [Sch. 1 para. 181\(3\)](#) (with arts. 6, 11, 12)

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**Commencement Information**

- I1** S. 8 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721](#), [art.2](#)

**<sup>F109</sup> Loans by Secretary of State to successor company.**

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**Textual Amendments**

- F10** S. 9 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 16](#) Group 2

**10 Temporary restrictions on successor company's borrowings etc.**

- (1) If the articles of association of the successor company confer on the Secretary of State powers exercisable with the consent of the Treasury for, or in connection with, restricting the sums of money which may during any period be borrowed or raised by the successor company and its subsidiaries, taken as a whole, those powers shall be exercisable in the national interest notwithstanding any rule of law and the provisions of any enactment.

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- (2) For the purposes of this section any alteration of the articles of association of the successor company which—
- (a) has the effect of conferring or extending any such power as is mentioned in subsection (1) above, and
  - (b) is made at a time when that company has ceased to be wholly owned by the Crown,
- shall be disregarded.

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**Commencement Information**

**I2** S. 10 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721](#), [art. 2](#)

*Dissolution of the Corporation and Board*

**11 Dissolution of the Corporation and Board.**

- (1) The Corporation and Board shall continue in existence after the appointed day until dissolved in accordance with subsection (2) below; and in relation to each of those bodies the period of its continued existence after the appointed day is referred to in this Act as “the transitional period”.
- (2) If in the case of either of those bodies the Secretary of State is satisfied that nothing further remains to be done by it under Schedule 3 to this Act, he may, after consulting that body and the successor company, by order dissolve that body on a day specified in the order.

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**Commencement Information**

**I3** S. 11 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721](#), [art.2](#)

*Supplementary provisions*

**12 Corporation tax.**

- (1) Subject to subsection (2) below, the successor company shall be treated for the purposes of the Corporation Tax Acts as if it were the same person as the Corporation and the Board.
- (2) Notwithstanding subsection (1) above, section [F118 of the Taxation of Chargeable Gains Act 1992] (computation of chargeable gains) shall apply to the successor company without regard to any allowable losses of the Corporation or the Board.
- (3) Any share issued by the successor company in pursuance of section 3 above shall be treated for the purposes of the Corporation Tax Acts as if it had been issued wholly in consideration of a subscription paid to that company of an amount equal to the nominal value of the share.
- (4) Any debenture issued by the successor company in pursuance of that section shall be treated for the purposes of those Acts as if it had been issued—

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- (a) wholly in consideration of a loan made to that company of an amount equal to the principal sum payable under the debenture; and
- (b) wholly and exclusively for the purposes of the trade carried on by that company.

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**Textual Amendments**

**F11** Words in s. 12(2) substituted (6.3.1992 with effect as mentioned in s. 289 of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), s. 290, **Sch. 10**, para.25 (with ss. 60, 101(1), 171 and 201(3))

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**Commencement Information**

**I4** S. 12 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721](#), **art. 2**

**<sup>F12</sup>13 Application of Trustee Investments Act 1961 in relation to investment in the successor company.**

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**Textual Amendments**

**F12** S. 13 repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 16** Group 2

**14 Orders.**

- (1) Any power of the Secretary of State to make an order under this Act shall be exercisable by statutory instrument.
- (2) Any statutory instrument containing an order made by the Secretary of State under section <sup>F13</sup>... 17(1) below shall be subject to annulment in pursuance of a resolution of either House of Parliament.

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**Textual Amendments**

**F13** Words in s. 14(2) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), **Sch. 1 Pt. 16** Group 2

**15 Administrative expenses.**

Any administrative expenses incurred by the Secretary of State or the Treasury in consequence of the provisions of this Act shall be paid out of money provided by Parliament.

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**Commencement Information**

**I5** S. 15 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721](#), **art.2**

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## 16 Interpretation.

(1) In this Act—

- “the appointed day” means the day appointed under section 1(1) above;
- “the Board” means the National Enterprise Board;
- “the Corporation” means the National Research Development Corporation;
- “debenture” includes debenture stock;
- “financial year”, in relation to the Corporation, means a year ending on 31st March and, in relation to the Board, means the accounting year as defined in section 37(1) of the <sup>M1</sup>Industry Act 1975;
- “securities”, in relation to a company, includes shares, debentures, bonds and other securities of the company, whether or not constituting a charge on the assets of the company;
- “shares” includes stock;
- “the successor company” means the company nominated for the purposes of section 1 above;
- “the transitional period” has the meaning given by section 11(1) above.

(2) A company shall be regarded for the purposes of this Act as wholly owned by the Crown at any time when each of the issued shares of the company is held by, or by a nominee of, the Treasury or the Secretary of State.

### Commencement Information

**I6** S. 16 partly in force at Royal Assent; s. 16(1) in force see s. 18(3); s. 16 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721, art. 2](#)

### Marginal Citations

**M1** 1975 c. 68.

## 17 Consequential amendments, repeals and transitional provisions.

(1) The Secretary of State may by order make—

- (a) such consequential modifications of any provision contained in any Act (whether public general or local) passed, or subordinate legislation made, before the appointed day as appear to him to be necessary or expedient in connection with any reference in that Act or subordinate legislation to the Corporation or the Board;
- (b) such transitional or saving provision as appears to him to be necessary or expedient in connection with the coming into force of any provision of this Act;

and any provision of an order made under this subsection after the appointed day may be made so as to have effect as from that or any later day.

(2) The enactments mentioned in Schedule 2 to this Act (which include certain spent enactments) are hereby repealed to the extent specified in the third column of that Schedule.

(3) The transitional provisions and savings contained in Schedule 3 to this Act shall have effect.

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*Changes to legislation: There are currently no known outstanding effects for the British Technology Group Act 1991. (See end of Document for details)*

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**Modifications etc. (not altering text)**

**C1** S. 17(2) excluded (with effect as from 6.1.1992) by [S.I. 1992/8](#), [arts.3, 4](#)

**Commencement Information**

**I7** S. 17 wholly in force at 6.1.1992 see ss. 1(1), 18(2) and [S.I. 1991/2721](#), [art.2](#)

**18 Short title, commencement and extent.**

- (1) This Act may be cited as the British Technology Group Act 1991.
- (2) Subject to subsections (3) and (4) below, this Act shall come into force on the appointed day.
- (3) Sections 1, 2, 7, 14, 16(1), this section and paragraph 1 of Schedule 1 shall come into force at the passing of this Act.
- (4) Parts II and III of Schedule 2 shall come into force on the dissolution of the Corporation or, as the case may be, the Board.
- (5) Except for sections 3 to 6, 8 to 10 and 13, this Act extends to Northern Ireland.



**Changes to legislation:**

There are currently no known outstanding effects for the British Technology Group Act 1991.