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STATUTORY INSTRUMENTS

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**1993 No. 3246**

**The Companies Act 1985 (Insurance  
Companies Accounts) Regulations 1993**

**Insurance groups**

**3.**—(1) In subsection (2) of section 255A of the 1985 Act<sup>(1)</sup> (special provisions for banking and insurance groups), for the word “may” there shall be substituted the word “shall”.

(2) For subsections (4) and (5) of that section there shall be substituted the following subsections—

“(4) References in this Part to a banking group are to a group where the parent company is a banking company or where—

- (a) the parent company’s principal subsidiary undertakings are wholly or mainly credit institutions, and
- (b) the parent company does not itself carry on any material business apart from the acquisition, management and disposal of interests in subsidiary undertakings.

(5) References in this Part to an insurance group are to a group where the parent company is an insurance company or where —

- (a) the parent company’s principal subsidiary undertakings are wholly or mainly insurance companies, and
- (b) the parent company does not itself carry on any material business apart from the acquisition, management and disposal of interests in subsidiary undertakings.

(5A) For the purposes of subsections (4) and (5) above—

- (a) a parent company’s principal subsidiary undertakings are the subsidiary undertakings of the company whose results or financial position would principally affect the figures shown in the group accounts, and
- (b) the management of interests in subsidiary undertakings includes the provision of services to such undertakings.”

(3) At the end of subsection (6) of that section there shall be inserted the words “, and as a reference to paragraphs 73, 74, 79 and 80 of Part I of Schedule 9A, in the case of the group accounts of an insurance group”.

(4) Subsection (7) of that section shall be omitted.

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<sup>(1)</sup> Section 255A was inserted into the 1985 Act (in place of that inserted by section 18 of the Companies Act 1989) by regulation 3 of the Bank Accounts Regulations. Section 255A was amended by regulation 5 of the Companies Act 1985 (Disclosure of Branches and Bank Accounts) Regulations 1992 (S.I.1992/3178).