
STATUTORY INSTRUMENTS

2005 No. 1788

The Community Interest Company Regulations 2005

PART 6

Restrictions on distributions and interest

Carrying forward of unused dividend capacity from previous financial years

20.—(1) Notwithstanding regulation 17(1)(c)(i), but subject to regulation 17(1)(c)(ii), the total amount of dividends declared on a share in a relevant company for a financial year may, subject to the company's articles, include the whole or any part of the share's unused dividend capacity.

(2) For the purposes of this regulation, a share's unused dividend capacity is A minus B where—

A is the aggregate of any sums by which, for any of the four financial years immediately preceding the financial year for which a dividend is to be declared under this regulation, the total amount of dividend declared and paid on the share for that financial year was less than the maximum dividend per share for that financial year; and

B is any part of A which has already been distributed by way of a dividend declared and paid for a previous financial year.