STATUTORY INSTRUMENTS

1984 No. 1859

COMPANIES

The Companies (Accounts and Audit) Regulations 1984

Made - - -	*28th November* 1984
Laid before Parliament	*3rd December* 1984

The Secretary of State, in exercise of his powers under section 454(1)*(b)* of the Companies Act 1948 (**a**), hereby makes the following Regulations:

1. These Regulations may be cited as the Companies (Accounts and Audit) Regulations 1984.

2.—(1) In paragraph 74A in Part VA of Schedule 8 to the Companies Act 1948(**b**), after subparagraph (3), there shall be added the following subparagraph—

"(4) Where in pursuance of the arrangement in question shares are allotted on different dates, the time of allotment for the purposes of subparagraphs (1)*(e)* and (3)*(a)* above shall be taken to be—

(a) if the other company becomes a subsidiary of the company as a result of the arrangement—

(i) if the arrangement becomes binding only upon the fulfilment of a condition, the date upon which that condition is fulfilled; and

(ii) in any other case, the date on which the other company becomes a subsidiary of the company;

(b) if the other company is a subsidiary of the company when the arrangement is proposed, the date of the first allotment pursuant to that arrangement."

(2) The subparagraph inserted in paragraph 74A of Schedule 8 by paragraph (1) of this Regulation shall also be inserted in paragraph 26A in Part IIIA of Schedule 8A to the Companies Act 1948 (**c**) as subparagraph (4) thereof.

Alexander Fletcher,
Parliamentary Under-Secretary of State,
Department of Trade and Industry.

28th November 1984.

(**a**) 1948 c.38; section 454(1) was substituted by the Companies Act 1981 (c.62).
(**b**) Part VA was inserted by S.I. 1982/1092.
(**c**) Part IIIA was inserted by S.I. 1982/1092.

EXPLANATORY NOTE

(*This Note is not part of the Regulations.*)

These Regulations determine the 'time of allotment' of shares for the purpose of calculating profits or losses of the allottee company which are required by paragraph 74A of Schedule 8 and paragraph 26A of Schedule 8A to the Companies Act 1948 to be disclosed in the accounts of the company making the allotment.

Those paragraphs require a company which enters into an arrangement for the acquisition of shares in another company to which section 37 of the Companies Act 1981 (merger relief) applies, to disclose certain particulars of the transaction, and of profits and losses of the other company. There are also requirements for the disclosure of particulars of disposals of fixed assets or shares in the other company, or disposals of shares in another company holding such assets or shares.

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