STATUTORY INSTRUMENTS

1981 No. 1621 (C. 42)

COMPANIES

The Companies Act 1981 (Commencement No. 1) Order 1981

Made - - - - - 11th November 1981

The Secretary of State, in exercise of his powers under section 119(3) of the Companies Act 1981(**a**) and of all other powers enabling him in that behalf, hereby makes the following Order:

1. This Order may be cited as the Companies Act 1981 (Commencement No. 1) Order 1981.

2. The provisions of the Companies Act 1981 specified in the Schedule hereto shall come into operation on 3rd December 1981.

Reginald Eyre,
Parliamentary Under Secretary of State,
Department of Trade.

11th November 1981.

(**a**) 1981 c. 62.

SCHEDULE Article 2.

PROVISIONS COMING INTO OPERATION ON 3RD DECEMBER 1981

Provisions of the Act	Subject matter of provisions
Section 42.	Certain assistance for acquisition of shares prohibited.
Section 43.	Relaxation of section 42 restrictions for private companies.
Section 44.	Provisions supplementary to section 43.
Section 60, in so far as it applies to financial assistance given by a company.	Supplementary provisions relating to Part III of the Companies Act 1980(a).
Section 62(1), in so far as it provides for the definition of "distributable profits" and "distribution" for the purposes of Part III of the Companies Act 1981 in relation to the giving of financial assistance by a company.	Interpretation of Part III of the Companies Act 1981.
Section 113.	Old public companies.
Section 114.	Application of the Companies Act 1981 to certain companies not formed under the Companies Act 1948(b).
Section 115.	Application of provisions of Companies Acts relating to enforcement, etc.
Section 117.	Corresponding provisions for Northern Ireland.
Section 118.	Interpretation.
Section 119, subsections (1), (2) and (3), subsections (4) and (5), in so far as they relate to the provisions of Schedules 3 and 4 hereinafter specified and subsection (6).	Citation and commencement, etc.
Schedule 3, paragraphs 1, 2, in so far as it relates to regulations 73A and 80 of Table A in Schedule 1 to the 1948 Act, 16, 17, 18, 19, 27, 35, 39, 61 and 63.	Minor and consequential amendments.
Schedule 4, in so far as it provides for the repeal of, or of words in, the following provisions: (*a*) section 54 of the 1948 Act and, in Schedule 1 to that Act, regulation 10 of Table A; (*b*) paragraphs 10, 36(6) and 46 of Schedule 3 to the 1980 Act.	Repeals.

(a) 1980 c. 22.

(b) 1948 c. 38.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order brings into force on 3rd December 1981 those provisions of the Companies Act 1981 specified in the Schedule to the Order. The provisions in question are as follows:

Section 42 which supersedes section 54 of the Companies Act 1948 and prohibits a company or any of its subsidiaries from giving financial assistance for the acquisition of any of the company's or its holding company's shares except in the circumstances specified in section 42(2) to (7) and, in the case of a private company, in sections 43 and 44;

section 43 which permits a private company in certain circumstances and subject to certain conditions to give financial assistance for the acquisition of its shares or of shares in its holding company if that company is a private company (provided that there is no intermediate holding company which is a public company), one of the conditions being that the giving of the assistance is approved in certain cases by special resolution;

section 44 which enables in particular a specified minority of members to apply to the court for an order cancelling a resolution passed under section 43;

those parts of sections 60 and 62 which contain provisions necessary for the operation of sections 42 to 44;

section 113 which states how the provisions of the Act will apply to old public companies within the meaning of section 8 of the Companies Act 1980;

section 114 which applies the provisions of the Act to certain companies not formed under the Companies Act 1948;

section 115 which applies certain provisions of the Companies Acts 1948 and 1967 (1967 c. 81) relating to enforcement and the application of fines to the Act;

section 117 which makes provision for the application to Northern Ireland of corresponding provisions to those in the Act;

section 118 which makes provision for interpretation;

section 119(1), (2), (3) and (6) which make certain supplemental provisions;

section 119(4) and (5) in so far as they relate to the minor and consequential amendments and repeals contained in Schedules 3 and 4 to the Act which are specified in the Schedule to the Order; and those amendments and repeals.

Sections 33, 36 to 41 and 107 came into operation on Royal Assent.

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