



Transport Act 1981

1981 CHAPTER 56

PART II

RECONSTITUTION OF BRITISH TRANSPORT DOCKS BOARD

11 Payments to Holding Company out of profits of Associated British Ports

- (1) The directors of Associated British Ports shall from time to time pay to the Holding Company such sums as appear to them to be justified by the profits of Associated British Ports.
- (2) For the purpose of sections 39 and 40 of the Companies Act 1980 (restrictions on distributions) such payments by Associated British Ports are distributions.
- (3) For the purpose of the said section 40 (restriction on extent to which distributions may reduce a company's net assets) the undistributable reserves of Associated British Ports include—
 - (a) any capital reserve arising from the capital debts extinguished by section 6(1);
 - (b) any reserve arising from payments made by the Holding Company on terms that the amount paid form part of Associated British Ports' undistributable reserves.
- (4) In section 157(1) of the Companies Act 1948 (directors' report) as it applies to Associated British Ports the reference to the amount recommended by the directors to be paid by way of dividend shall be construed as a reference to the amount proposed by them to be paid to the Holding Company under subsection (1).