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*Changes to legislation: There are currently no known outstanding effects for the Trustee Savings Banks Act 1985, Paragraph 7. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 1

#### TRANSFER PROVISIONS: SUPPLEMENTARY

##### PART III

##### SPECIFIC ASPECTS OF THE REORGANISATION

###### *Profits available for distribution*

- 7 (1) where, in the case of a transfer effected by section 3(1)(a) or (3) above, immediately before the vesting day the transferor had any qualifying reserves, the corresponding reserves of the transferee immediately after the transfer shall be treated for the purposes of the Companies Act 1985 and the corresponding Northern Ireland legislation as accumulated, realised profits of the transferee.
- (2) Where, in the case of a transfer effected by section 3(1)(a) or (3) above, immediately before the vesting day some part of the transferor's reserves represents the amount by which unrealised surpluses attributable to an increase in the value of land exceed unrealised deficits attributable to a decrease in the value of land, then, for the purposes of the Companies Act 1985 and the corresponding Northern Ireland legislation—
- (a) so much of that increase or decrease in value as is realised on or after the vesting day shall be treated as realised profits or, as the case may be, realised losses of the transferee; and
  - (b) so much as remains unrealised at any time after the vesting day shall be treated as unrealised profits or, as the case may be, unrealised losses of the transferee at that time.
- (3) So much of a transferee's profits available for distribution by virtue of subparagraph (1) or (2) above as is distributed to the new holding company shall be treated, for the purposes of the Companies Act 1985 and the corresponding Northern Ireland legislation, as realised profits of that company.
- (4) For the purposes of this paragraph all the reserves of a transferor are "qualifying" reserves except—
- (a) so much of those reserves as represents the amount by which unrealised surpluses attributable to an increase in the value of land exceed unrealised deficits attributable to a decrease in the value of land;
  - (b) those reserves of the Central Board known as the Mutual Assistance Fund and the Closed Banks Fund; and
  - (c) those reserves of the Central Board derived from the transfer to the Board of the assets and liabilities of the Trustee Savings Banks Association and the Trustee Savings Banks Employers' Council.

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(5) In this paragraph—

- (a) any expression used in the <sup>M1</sup>Companies Act 1985 or the corresponding Northern Ireland legislation has the same meaning as in that Act or that legislation; and
- (b) “corresponding Northern Ireland legislation” means the [<sup>F1</sup>Companies (Northern Ireland) Order 1986].

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**Textual Amendments**

**F1** Words substituted by [S.I. 1986/1035 \(N.I. 9\)](#), art. 23, [Sch. 1 Pt. II](#)

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**Marginal Citations**

**M1** [1985 c. 6.](#)

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