



# Companies Act 1985

## 1985 CHAPTER 6

### PART IV

#### ALLOTMENT OF SHARES AND DEBENTURES

##### *Valuation provisions*

#### **109 Valuation and report (s. 104)**

- (1) Subsections (1) to (3) and (5) of section 108 apply also as respects the valuation and report for the purposes of section 104.
- (2) The valuer's report for those purposes shall—
  - (a) state the consideration to be received by the company, describing the asset in question (specifying the amount to be received in cash) and the consideration to be given by the company (specifying the amount to be given in cash);
  - (b) state the method and date of valuation ;
  - (c) contain or be accompanied by a note as to the matters mentioned in section 108(6)(a) to (c); and
  - (d) contain or be accompanied by a note that on the basis of the valuation the value of the consideration to be received by the company is not less than the value of the consideration to be given by it.
- (3) A reference in section 104 or this section to consideration given for the transfer of an asset includes consideration given partly for its transfer ; but—
  - (a) the value of any consideration partly so given is to be taken as the proportion of the consideration properly attributable to its transfer;
  - (b) the valuer shall carry out or arrange for such valuations of anything else as will enable him to determine that proportion; and
  - (c) his report for purposes of section 104 shall state what valuation has been made under this subsection and also the reason for and method and date of any such valuation and any other matters which may be relevant to that determination.