



Companies Act 1985

1985 CHAPTER 6

PART V

SHARE CAPITAL, ITS INCREASE, MAINTENANCE AND REDUCTION

CHAPTER V

MAINTENANCE OF CAPITAL

148 Further provisions supplementing ss. 146, 147

- (1) Where, after shares in a private company—
- (a) are forfeited in pursuance of the company's articles or are surrendered to the company in lieu of forfeiture, or
 - (b) are acquired by the company (otherwise than by such surrender or forfeiture, and otherwise than by any of the methods mentioned in section 143(3)), the company having a beneficial interest in the shares, or
 - (c) are acquired by the nominee of a company in the circumstances mentioned in section 146(1)(c), or
 - (d) are acquired by any person in the circumstances mentioned in section 146(1)(d),

the company is re-registered as a public company, sections 146 and 147, and also section 149, apply to the company as if it had been a public company at the time of the forfeiture, surrender or acquisition, but with the modification required by the following subsection.

- (2) That modification is to treat any reference to the relevant period from the forfeiture, surrender or acquisition as referring to the relevant period from the re-registration of the company as a public company.
- (3) Schedule 2 to this Act has effect for the interpretation of the reference in subsection (1)(b) to the company having a beneficial interest in shares.

Status: This is the original version (as it was originally enacted).

- (4) Where a public company or a nominee of a public company acquires shares in the company or an interest in such shares, and those shares are (or that interest is) shown in a balance sheet of the company as an asset, an amount equal to the value of the shares or (as the case may be) the value to the company of its interest in them shall be transferred out of profits available for dividend to a reserve fund and are not then available for distribution.