

Law in 101 words

Snippets from The Reduced Law Dictionary by Roderick Ramage

Accounting reference periods

A company's financial year is the same as its accounting reference period (ARP) +/- seven days, and its ARP is 12 months beginning immediately after the end of the previous ARP. The first ARP must be more than six and not more than eighteen months beginning with the date of incorporation and ending with its accounting reference date (ARD). Its first ARD is the last day of the month in which the first anniversary of its incorporation falls, unless altered. Companies Act 2006, ss 390 to 392. It's really rather British that a year does not have to be a year.

Casting vote (companies)

Company statute law has had no problem from 1862 to 2007 with the chairman's casting vote at a company's general meeting, when the votes are equal, notwithstanding that the power can arise only on a motion which can be carried by a simple majority. Now BARR, with no judicial or other authority, has decided that a casting vote is no longer permissible, merely because the words "simple majority" appear in the definition of an ordinary resolution in the Companies Act 2006 s 282. Perhaps someone will defy SI 2007/2826 r 3, put a casting vote in new articles and let the courts decide.

Disability discrimination and incapacity benefit

In *Sheffield Forgemasters Ltd v Fox*, *Telindus Ltd v Brading* (2008), in which two employees succeeded in claims for unfair dismissal and disability discrimination, and the employers appealed, EAT held that a compensatory award for loss of earnings could be made in respect of a period when a claimant had been in receipt of incapacity benefit. One of the respondents had worked one day per week and did voluntary work five days per week while the other had not worked but had been actively seeking work. Receipt of incapacity benefit did

not automatically mean that a claimant was incapable of working.

European Parliament v European Commission

The Commission made a financing proposal for a project relating to the security of the borders of the Philippines, specifically optimising border management methods, a system of IT, checking ID papers and staff training. The Parliament brought proceedings in the ECJ (Case C-403-05) to annul the decision on the grounds that the Commission has exceeded its powers under the regulation (EEC 443/92), which includes projects for such matters as the rural sector, food security, environmental protection, fight against drugs, protection of children. It argued that the regulation could not be extended by broad interpretation. The ECJ agreed and annulled the decision.

Invitation to treat

In the *Pharmaceutical Society of Great Britain v Boots Cash Chemists (Southern) Ltd* (1953) it was established that the display of goods and their prices on the shelves of a self-service store is not an offer, which can be accepted by taking them to the cash till and tendering cash. An inspector of the Society tried just this in an early self-service Boots store and was refused. The display of the goods at marked prices is an invitation to treat. The contract is formed only when

the customer offers to buy them at the cash desk and the money is taken.

Seneschal of Sark

The Reform Law (Sark) 2008 permits the Seneschal, "an official in the household of a Sovereign", to be both a member of the legislature and the chief judge of the island. In *R v the Lord Chancellor and others* (2008) the CA granted a declaration that advice given to HM the Queen to give Royal Assent to the law was unlawful. The combination of the judicial and other functions of the Seneschal was inconsistent with the requirement of Art 6 of the European Convention on Human Rights that the law must guarantee a fair trial by an independent and impartial tribunal.

Trustees' discretions

Guaranteed Minimum Pensions are payable to men at 65 and women at 60. One question in *Leadenhall Independent Trustees v Welham and Frith* (the Maycast case) (2004) was whether pension scheme trustees, in applying part of a surplus, could in the exercise of a power, pay greater increases for male than female members in order to neutralise the discriminatory effect of the GMPs. Discretionary powers need not be exercised identically for all beneficiaries, but the difference in its exercise must be based on rational criteria as opposed to being arbitrary or capricious. The trustees could properly distinguish between men and women.

NLU

Pindaric ode

In the interest of mutual respect, the following covenant is to be inserted in every lease of a Welsh residential property let to an English tenant.

x: The tenant shall on each St David's day between the first and second hours after sunrise declaim the Pindaric ode entitled "the Bard" by Thomas Gray in its entirety from a front first floor window of the property in a manner audible to an audience assembled on the forecourt of the property and [may do so either in the original English or (at the tenant's choice) in Welsh (or shall do so in Welsh)].

