STATUTORY RULES OF NORTHERN IRELAND

1992

COMPANIES

Companies (1986 Order) (Accounts of Small and Medium-Sized Enterprises and Publication of Accounts in ECUs) Regulations (Northern Ireland) 1992

Made - - - -	*26th November 1992*
Coming into operation	*31st December 1992*

The Department of Economic Development, in exercise of the powers conferred on it by Article 265(1) and (3) of the Companies (Northern Ireland) Order 1986(**1**) and of every other power enabling it in that behalf, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Companies (1986 Order) (Accounts of Small and Medium-Sized Enterprises and Publication of Accounts in ECUs) Regulations (Northern Ireland) 1992 and shall come into operation on 31st December 1992.

(2) In these Regulations "the 1986 Order" means the Companies (Northern Ireland) Order 1986.

Delivery and publication of accounts in ECUs

2. The following Article is inserted into the 1986 Order after Article 250A(**2**)—

"**Delivery and publication of accounts in ECUs**

250B.—(1) The amounts set out in the annual accounts of a company may also be shown in the same accounts translated into ECUs.

(2) When complying with Article 250(**3**), the directors of a company may deliver to the registrar an additional copy of the company's annual accounts in which the amounts have been translated into ECUs.

(3) In both cases

(**1**) S.I. 1986/1032 (N.I. 6); Article 265 was inserted by Article 22 of the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (N.I. 5)).
(**2**) Article 250A was inserted into the 1986 Order by Article 13 of the Companies (Northern Ireland) Order 1990.
(**3**) Article 250 was inserted into the 1986 Order by Article 13 of the Companies (Northern Ireland) Order 1990.

(a) the amounts must have been translated at the relevant exchange rate prevailing on the balance sheet date, and

(b) that rate must be disclosed in the notes to the accounts.

(4) For the purposes of Article 248(**4**) any additional copy of the company's annual accounts delivered to the registrar under paragraph (2) shall be treated as statutory accounts of the company and, in the case of such a copy, references in Article 248 to the auditors' report under Article 243(**5**) shall be read as references to the auditors' report on the annual accounts of which it is a copy.

(5) In this Article—

"ECU" means a unit with a value equal to the value of the unit of account known as the ecu used in the European Monetary System, and

"relevant exchange rate" means the rate of exchange used for translating the value of the ecu for the purposes of that System."

Modifications of Part VIII of the 1986 Order with respect to small and medium-sized companies and groups

3.—(1) In Article 254 of the 1986 Order (exemptions for small and medium-sized companies(**6**) the following paragraphs are inserted after paragraph (1)—

"(1A) A company which qualifies as a small company in relation to a financial year is entitled to the exemptions provided by Part I of Schedule 8(**7**) with respect to the preparation of annual accounts for that year if its balance sheet contains, immediately above the signature required by Article 241(**8**)—

(a) a statement that advantage has been taken, in the preparation of the accounts, of special exemptions applicable to small companies, and

(b) a statement of the grounds on which, in the directors' opinion, the company is entitled to those exemptions.

(1B) A company which qualifies as a small company in relation to a financial year is entitled to the exemptions provided by Part II of Schedule 8 with respect to the preparation of a directors' report for that year if the report contains, immediately above the signature required by Article 242A(**9**)—

(a) a statement that advantage has been taken, in the preparation of the report, of special exemptions applicable to small companies, and

(b) where the company's balance sheet for that year does not contain a statement under paragraph (1)(A)(b), a statement of the grounds on which, in the directors' opinion, the company is entitled to those exemptions.".

(2) In the same Article—

(a) in paragraph (1)(b) before the words "Schedule 8" there shall be inserted the words "Part III of",

(b) paragraph (2) is hereby repealed, and

(**4**) Article 248 was inserted into the 1986 Order by Article 12 of the Companies (Northern Ireland) Order 1990.
(**5**) Article 243 was inserted into the 1986 Order by Article 11 of the Companies (Northern Ireland) Order 1990.
(**6**) Article 254 was inserted into the 1986 Order by Article 15(1) of the Companies (Northern Ireland) Order 1990.
(**7**) Schedule 8 was inserted into the 1986 Order by Article 15(2) of, and Schedule 6 to, the Companies (Northern Ireland) Order 1990.
(**8**) Article 241 was inserted into the 1986 Order by Article 9 of the Companies (Northern Ireland) Order 1990.
(**9**) Article 242A was inserted into the 1986 Order by Article 10(1) of the Companies (Northern Ireland) Order 1990.

(c) in paragraph (3) for the words "paragraph (1)" there shall be substituted the words "paragraphs (1), (1A) and (1B)".

(3) Schedule 8 to the 1986 Order is modified in accordance with the provisions of the Schedule.

4.—(1) Article 255 of the 1986 Order (qualification of company as small or medium-sized)(**10**) is modified as follows.

(2) In paragraph (2)(a>, for the words "paragraph (1)" there shall be substituted the words "paragraph (1) or was treated as so qualifying under sub-paragraph (b)".

(3) In paragraph (3), under the heading "*Small company*", for the words "Not more than £2 million" (for turnover) there shall be substituted the words "Not more than £2.8 million" and for the words "Not more than £975,000" (for the balance sheet total) there shall be substituted the words "Not more than £1.4 million".

(4) In paragraph (3), under the heading "*Medium-sized company*", for the words "Not more than £8 million" (for turnover) there shall be substituted the words "Not more than £11.2 million" and for the words "Not more than £3.9 million" (for the balance sheet total) there shall be substituted the words "Not more than £5.6 million".

5.—(1) Article 257 of the 1986 Order (qualification of group as small or (medium-sized)(**11**) is modified as follows.

(2) In paragraph (2)(a), for the words "paragraph (1)" there shall be substituted the words "paragraph (1) or was treated as so qualifying under sub-paragraph (b)" .

(3) In paragraph (3), under the heading "*Small group*", for the words "Not more than £2 million net (or £2.4 million gross)" (for aggregate turnover) there shall be substituted the words "Not more than £2.8 million net (or £3.36 million gross)" and for the words "Not more than £1 million net (or £1.2 million gross)" (for the aggregate balance sheet total) there shall be substituted the words "Not more than £1.4 million net (or £1.68 million gross)".

(4) In paragraph (3), under the heading "*Medium-sized group*", for the words "Not more than £8 million net (or £9.6 million gross)" (for aggregate turnover) there shall be substituted the words "Not more than £11.2 million net (or £13.44 million gross)" and for the words "Not more than £3.9 million net (or £4.7 million gross)" (for the aggregate balance sheet total) there shall be substituted the words "Not more than £5.6 million net (or £6.72 million gross)."

Transitional provisions

6.—(1) These Regulations shall apply to annual accounts in respect of financial years ending on or after the date of coming into operation of these Regulations, and to directors' and auditors' reports on those accounts.

(2) In determining under Article 255 or 257 of the 1986 Order whether a company or group qualifies as small or medium-sized in relation to financial years subsequent to its first financial year which end on or after the date of coming into operation of these Regulations—

(a) the company or group shall be treated as having qualified as small or medium-sized (as the case may be) in each previous financial year ending on or after 9th November 1990 in which it would have so qualified under Article 255(3) or 257(3) as amended by these Regulations, and

(b) the company or group shall be treated as having qualified as small or medium-sized in any such financial year if they would have been so entitled had the company or group had the qualification it is treated as having had under sub-paragraph (a).

(**10**) Article 255 was inserted into the 1986 Order by Article 15(1) of the Companies (Northern Ireland) Order 1990.
(**11**) Article 257 was inserted into the 1986 Order by Article 15(3) of the Companies (Northern Ireland) Order 1990.

Sealed with the Official Seal of the Department of Economic Development on 26th November 1992.

A. H. McAlister
Assistant Secretary

SCHEDULE Regulation 3(3)

MODIFICATIONS OF SCHEDULE 8

RE-ORGANISATION OF THE SCHEDULE

1.—(1) Parts I, II and III of Schedule 8 shall become, respectively, Section A, Section B and Section C of Part Ill of Schedule 8.

(2) Paragraphs 1 to 10 of Schedule 8, as modified by paragraph 4, shall be re-numbered as paragraphs 17 to 26 of Schedule 8.

(3) The provisions set out in paragraph 2 shall be inserted in Schedule 8 as a new Part I.

(4) The provisions set out in paragraph 3 shall be inserted in Schedule 8 as a new Part II.

(5) The following shall be inserted in Schedule 8 immediately after the new Part II—

"Part III

EXEMPTIONS WITH RESPECT TO DELIVERY OF ACCOUNTS

16. In this Part—

Section A relates to small companies,

Section B relates to medium-sized companies, and

Section C contains supplementary provisions.".

The new Part I

2. The following shall be inserted in Schedule 8 immediately after the heading, as Part I of that Schedule—

"Part I

EXEMPTIONS WITH RESPECT TO PREPARATION OF ANNUAL ACCOUNTS OF SMALL COMPANIES

SECTION A

Individual Accounts

1. The following provisions of this section apply to the individual accounts of a small company.

Balance sheet

2.—(1) In preparing its balance sheet according to the balance sheet formats set out in Section B of Part I of Schedule 4(**12**), a small company may apply all or any of the modifications permitted by paragraphs 3 and 4.

(**12**) Schedule 4 to the 1986 Order has been amended by Article 6(2) of and Schedule 1 to the Companies (Northern Ireland) Order 1990.