STATUTORY RULES OF NORTHERN IRELAND

1991 No. 268

COMPANIES

Companies (Revision of Defective Accounts and Report) Regulations (Northern Ireland) 1991

Made - - - -	*24th June 1991*
Coming into operation	*1st September 1991*

The Department of Economic Development, in exercise of the powers conferred on it by Article 253(3) and (4) of the Companies (Northern Ireland) Order 1986(**1**) and of every other power enabling it in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Companies (Revision of Defective Accounts and Report) Regulations (Northern Ireland) 1991 and shall come into operation on 1st September 1991.

Interpretation

2. In these Regulations:

"date of the original annual accounts" means the date on which the original annual accounts were approved by the board of directors under Article 241;

"date of the original directors' report" means the date on which the original directors' report was approved by the board of directors under Article 242A;

"date of revision" means the date on which revised accounts are approved by the board of directors under Regulation 4 or (as the case may be) a revised report is approved by them under Regulation 5;

"the Order" means the Companies (Northern Ireland) Order 1986 as amended by the Companies (Northern Ireland) Order 1990(**2**) and any reference in these Regulations to a numbered Article shall be construed as a reference to the Article bearing that number in "the Order";

"original", in relation to annual accounts or a directors' report, means the annual accounts or (as the case may be) directors' report which are the subject of revision by, respectively, revised accounts or a revised report and, in relation to abbreviated accounts (within the meaning of

(**1**) S.I. 1986/1032 (N.I. 6). Article 253 was inserted in Part VIII of the Companies (Northern Ireland) Order 1986 by Articles 3 and 14 of the Companies (Northern Ireland) Order 1990

(**2**) S.I. 1990/593 (N.I. 5)

Regulation 13(1)) or a summary financial statement, means abbreviated accounts or a summary financial statement based on the original annual accounts or directors' report;

"revised accounts" mean revised annual accounts of a company prepared by the directors under Article 253, either through revision by replacement or revision by supplementary note and in the latter case the revised accounts comprise the original annual accounts together with the supplementary note;

"revised report" means a revised directors' report prepared by the directors under Article 253, either through revision by replacement or revision by supplementary note and in the latter case the revised report comprises the original directors' report together with the supplementary note;

"revision by replacement" means revision by the preparation of a replacement set of accounts or directors' report in substitution for the original annual accounts or directors' report, and

"revision by supplementary note" means revision by the preparation of a note indicating corrections to be made to the original annual accounts or directors' report.

Content of revised accounts or a revised report

3.—(1) Subject to Regulation 16(1), the provisions of the Order as to the matters to be included in the annual accounts of a company shall apply to revised accounts as if the revised accounts were prepared and approved by the directors as at the date of the original annual accounts.

(2) In particular, Articles 234(2) and 235(3) shall apply so as to require a true and fair view to be shown in the revised accounts of the matters therein referred to viewed as at the date of the original annual accounts.

(3) Paragraph 12(*b*) of Schedule 4 to the Order shall apply to revised accounts as if the reference therein to the date on which the accounts were signed was to the date of the original annual accounts.

(4) The provisions of the Order as to the matters to be included in a directors' report apply to a revised report as if the revised report was prepared and approved by the directors of the company as at the date of the original directors' report.

Approval and signature of revised accounts

4.—(1) Article 241 (approval and signing of accounts) shall apply to revised accounts, save that in the case of revision by supplementary note, it shall apply as if it required a signature on the supplementary note instead of on the company's balance sheet.

(2) Where copies of the original annual accounts have been sent out to members under Article 246(1), laid before the company in general meeting under Article 249(1) or delivered to the registrar under Article 250(1), the directors shall, before approving the revised accounts under Article 241, cause statements as to the following matters to be made in a prominent position in the revised accounts (in the case of a revision by supplementary note, in that note):

(a) in the case of revision by replacement:

(i) that the revised accounts replace the original annual accounts for the financial year (specifying it);

(ii) that they are now the statutory accounts of the company for that financial year;

(iii) that they have been prepared as at the date of the original annual accounts and not as at the date of revision and accordingly do not deal with events between those dates;

(iv) the respects in which the original annual accounts did not comply with the requirements of the Order, and

(v) any significant amendments made consequential upon the remedying of those defects;

(b) in the case of revision by a supplementary note:

(i) that the note revises in certain respects the original annual accounts of the company and is to be treated as forming part of those accounts, and

(ii) that the annual accounts have been revised as at the date of the original annual accounts and not as at the date of revision and accordingly do not deal with events between those dates,

and shall, when approving the revised accounts, cause the date on which the approval is given to be stated in them (in the case of revision by supplementary note, in that note) and Article 241(5) shall apply with respect to a failure to comply with this paragraph as if the requirements of this paragraph were requirements of the Order.

Approval and signature of revised directors' report

5.—(1) Article 242A (approval and signing of directors' report) shall apply to a revised report, save that in the case of revision by supplementary note, it shall apply as if it required the signature to be on the supplementary note.

(2) Where the original directors' report has been sent out to members under Article 246(1), laid before the company in general meeting under Article 249(1) or delivered to the registrar under Article 250(1), the directors shall, before approving the revised report under Article 242A, cause statements as to the following matters to be made in a prominent position in the revised report (in the case of a revision by supplementary note, in that note):

(a) in the case of a revision by replacement:

(i) that the revised report replaces the original report for the financial year (specifying it);

(ii) that it has been prepared as at the date of the original directors' report and not as at the date of revision and accordingly does not deal with any events between those dates;

(iii) the respects in which the original directors' report did not comply with the requirements of the Order, and

(iv) any significant amendments made consequential upon the remedying of those defects;

(b) in the case of revision by a supplementary note:

(i) that the note revises in certain respects the original directors' report of the company and is to be treated as forming part of that report, and

(ii) that the directors' report has been revised as at the date of the original directors' report and not as at the date of the revision and accordingly does not deal with events between those dates,

and shall, when approving the revised report, cause the date on which the approval is given to be stated in it (in the case of a revision by supplementary note, in that note) and Article 242(5) shall apply with respect to a failure to comply with this paragraph as if the requirements of this paragraph were requirements of Part VIII of the Order.

Auditors' report on revised accounts and revised report

6.—(1) Subject to paragraph (2), where a company's auditors have, prior to the preparation of the revised accounts, made a report under Article 243 (auditors' report) on the original annual accounts, they shall make a further report to the company's members under this Regulation on any revised accounts prepared under Article 253 and:

(a) Article 245 (duties of auditors) shall apply mutatis mutandis, and

(b) Article 243(1) shall not apply with respect to the revised accounts.

(2) Where the auditors' report on the original annual accounts was not made by the company's current auditors, the directors of the company may resolve that the report required by paragraph (1) is to be made by the person or persons who made that report, provided that that person or those persons agree to do so and he or they would be qualified for appointment as auditor of the company.

(3) Subject to Regulation 16(1), an auditors' report under this Regulation shall state whether in the auditors' opinion the revised accounts have been properly prepared in accordance with the provisions of the Order as they have effect under these Regulations, and in particular whether a true and fair view, seen as at the date the original annual accounts were approved, is given by the revised accounts with respect to the matters set out in Article 243(2)(*a*) to (*c*).

The report shall also state whether in the auditors' opinion the original annual accounts failed to comply with the. requirements of the Order in the respects identified by the directors (in the case of revision by replacement) in the statement required by Regulation 4(2)(*a*)(iv) or (in the case of revision by supplementary note) in the supplementary note.

(4) The auditors shall also consider whether the information contained in the directors' report for the financial year for which the annual accounts are prepared (which is, if the report has been revised under these Regulations, that revised report) is consistent with those accounts; and if they are of the opinion that it is not they shall state that fact in their report under this Regulation.

(5) Article 244 (signature of auditors' report) shall apply to an auditors' report under this Regulation as it applies to an auditors' report under Article 243(1) mutatis mutandis.

(6) An auditors' report under this Regulation shall, upon being signed under Article 244 as so applied, be, as from the date of signature, the auditors' report on the annual accounts of the company in place of the report on the original annual accounts.

Auditors' report on revised report alone

7.—(1) Subject to paragraph (2), where a company's auditors have, prior to the preparation of a revised report, made a report under Article 243 on the original annual accounts, they shall make a further report to the company's members under this Regulation on any revised report prepared under Article 253 if the relevant annual accounts have not been revised at the same time.

(2) Where the auditors' report on the annual accounts for the financial year covered by the revised report was not made by the company's current auditors, the directors of the company may resolve that the report required by paragraph (1) is to be made by the person or persons who made that report, provided that that person or those persons agree to do so and he or they would be qualified for appointment as auditor of the company.

(3) The report shall state that the auditors have considered whether the information given in the revised report is consistent with the annual accounts for the relevant year (specifying it) and:

(a) if they are of the opinion that it is; or

(b) if they are of the opinion that it is not,

they shall state that fact in their report.

(4) Article 244 (signature of auditors' report) shall apply to an auditors' report under this Regulation as it applies to an auditors' report under Article 243(1) *mutatis mutandis*.

Effect of revision

8.—(1) Upon the directors approving revised accounts under Regulation 4, the provisions of the Order shall have effect as if the revised accounts were, as from the date of their approval, the annual accounts of the company in place of the original annual accounts.

(2) In particular, the revised accounts shall thereupon be the company's annual accounts for the relevant financial year for the purposes of:

(a) Articles 247 (right to demand copies of accounts and reports) and 248(5) (requirements in connection with publication of accounts), and

(b) Articles 246 (persons entitled to receive copies of accounts and reports), 249 (accounts and reports to be laid before company in general meeting) and 250 (accounts and reports to be delivered to the registrar) if the requirements of those Articles have not been complied with prior to the date of revision.

9.—(1) Subject to the following provisions, upon the directors approving a revised report under Regulation 5 the provisions of the Order shall have effect as if the revised report was, as from the date of its approval, the directors' report in place of the original directors' report.

(2) In particular, the revised report shall thereupon be the directors' report for the relevant financial year for the purposes of:

(a) Article 247 (right to demand copies of accounts and reports), and

(b) Articles 246 (persons entitled to receive copies of accounts and reports), 249 (accounts and reports to be laid before company in general meeting) and 250 (accounts and reports to be delivered to the registrar) if the requirements of those Articles have not been complied with prior to the date of revision.

Publication of revised accounts and reports

10.—(1) This Regulation has effect where the directors have prepared revised accounts or a revised report under Article 253 and copies of the original annual accounts or report have been sent to any person under Article 246.

(2) The directors shall send to any such person:

(a) in the case of a revision by replacement, a copy of the revised accounts, or (as the case may be) the revised report, together with a copy of the auditors' report on those accounts, or (as the case may be) on that report; or

(b) in the case of revision by supplementary note, a copy of that note together with a copy of the auditors' report on the revised accounts, or (as the case may be) on the revised report,

not more than 28 days after the date of revision.

(3) The directors shall also send a copy of the revised accounts or (as the case may be) the revised report, together with a copy of the auditors' report on those accounts or (as the case may be) on that report, to any person who is not a person entitled to receive a copy under paragraph (2) but who is, as at the date of revision:

(a) a member of the company;

(b) a holder of the company's debentures; or

(c) a person who is entitled to receive notice of general meetings,

unless, in the case of a member of the company, the company would be entitled at that date to send to that person a summary financial statement under Article 259. Article 246(2) and (3) shall apply with respect to this paragraph as they have effect with respect to Article 246(1).

(4) Article 246(5) shall apply to a default in complying with this Regulation as if the provisions of this Regulation were provisions of Article 246 and as if the reference therein to "the company and every officer of it who is in default" was a reference to each of the directors who approved the revised accounts under Regulation 4 or revised report under Regulation 5.

(5) Where, prior to the date of revision of the original annual accounts, the company had completed sending out copies of those accounts under Article 246, references in the Order to the