
STATUTORY RULES OF NORTHERN IRELAND

1996 No. 179

**Companies (Summary Financial Statement)
Regulations (Northern Ireland) 1996**

Part II

Conditions for sending out summary financial statement

Cases in which sending of summary financial statement prohibited

3.—(1) A listed public company may not send a summary financial statement to an entitled person instead of copies of its full accounts and reports, in any case where it is prohibited from doing so by any relevant provision (within the meaning of paragraph (2))—

- (a) in its memorandum or articles of association, or
- (b) where the entitled person is a holder of the company's debentures, in any instrument constituting or otherwise governing any of the company's debentures of which that person is a holder.

(2) For the purposes of paragraph (1), any provision (however expressed) which requires copies of the full accounts and reports to be sent to entitled persons, or which forbids the sending of summary financial statements under Article 259 of the 1986 Order, is a relevant provision.

Ascertainment of entitled person's wishes

4.—(1) A listed public company may not send a summary financial statement to an entitled person in place of copies of its full accounts and reports, unless the company has ascertained that the entitled person does not wish to receive copies of those documents.

(2) Whether or not an entitled person wishes to receive copies of the full accounts and reports for a financial year is to be ascertained—

- (a) from any relevant notification in writing he has given to the company (either as an entitled person or as a person to whom paragraph (5) applies) as to whether he wishes to receive copies of the full accounts and reports or as to whether he wishes, instead of copies of those documents, to receive summary financial statements; or
- (b) failing any such express notification, from any failure to respond to an opportunity given to the entitled person (including for this purpose a person to whom paragraph (5) applies) to elect to receive copies of the full accounts and reports either in response to a notice sent by the company under regulation 5, or as part of a relevant consultation of his wishes by the company under regulation 6.

(3) For the purposes of paragraph 2(a), a notification is a relevant notification with respect to a financial year if it relates to that year (whether or not it has been given at the invitation of the company) and if it received by the company not later than 28 days before the first date on which copies of the full accounts and reports are sent out to entitled persons in compliance with Article 246(1) of the 1986 Order with respect to the financial year.

(4) A company may not send a summary financial statement to an entitled person in relation to any financial year in place of copies of the full accounts and reports unless—

- (a) the period allowed for laying and delivering full accounts and reports under Article 252 of the 1986 Order⁽¹⁾ for that year has not expired, and
- (b) the summary financial statement has been approved by the board of directors and the original statement signed on behalf of the board by a director of the company.

(5) This paragraph applies to a person who is entitled, whether conditionally or unconditionally, to become an entitled person in relation to the company, but who has not yet become such an entitled person.

Consultation by notice

5.—(1) A listed public company may give a notice to an entitled person (including for this purpose a person to whom regulation 4(5) applies), by sending it by post or giving it in any other manner authorised by the company's articles, which shall—

- (a) state that for the future, so long as he is an entitled person, he will be sent a summary financial statement for each financial year instead of a copy of the company's full accounts and reports, unless he notifies the company in writing that he wishes to receive full accounts and reports,
- (b) state that the summary financial statement for a financial year will contain a summary of the company's or group's profit and loss account, balance sheet and directors' report for that year,
- (c) state that the printed card or form accompanying the notice in accordance with paragraph (2) must be returned by a date specified in the notice, being a date at least 21 days after service of the notice and not less than 28 days before the first date on which copies of the full accounts and reports for the next financial year for which the entitled person is entitled to receive them are sent out to entitled persons in compliance with Article 246(1) of the 1986 Order,
- (d) include a statement in a prominent position to the effect that a summary financial statement will not contain sufficient information to allow as full an understanding of the results and state of affairs of the company or group as would be provided by the full annual accounts and reports and that members and debenture holders requiring more detailed information have the right to obtain, free of charge, a copy of the company's last full accounts and reports, and
- (e) state that the summary financial statement will contain a statement by the company's auditors as to whether the summary financial statement is consistent with the full accounts and reports for the year in question, whether it complies with the requirements of Article 259 of the 1986 Order and of these Regulations and whether their report on the accounts was qualified.

(2) Subject to paragraph (3), the notice shall be accompanied by a printed card or form, in respect of which any postage necessary for its return to the company has been, or will be, paid by the company, which is so worded as to enable an entitled person (including a person to whom regulation 4(5) applies), by marking a box and returning the card or form, to notify the company that he wishes to receive full accounts and reports for the next financial year for which he is entitled to receive them as an entitled person and for all future financial years thereafter.

(3) The company need not pay the postage in respect of the return of the printed card or form in the following circumstances—

(1) Article 252 was substituted by Articles 3 and 13 of the Companies (Northern Ireland) Order 1990

- (a) if the address of a member to which notices are sent in accordance with the company's articles is not within an EEA State,
- (b) if the address of a debenture holder to which notices are sent in accordance with the terms of any instrument constituting or otherwise governing the debentures of which he is a holder is not within an EEA State, or
- (c) if the address of a person to whom regulation 4(5) applies to which notices are sent, in accordance with the contractual provisions whereunder he has a right (conditionally or unconditionally) to become an entitled person, is not within an EEA State.

Relevant consultation

6.—(1) A listed public company may conduct a relevant consultation to ascertain the wishes of an entitled person.

(2) For the purposes of this regulation, a relevant consultation of the wishes of an entitled person is a notice given to the entitled person (including for this purpose a person to whom regulation 4(5) applies), by sending it by post or giving it in any other manner authorised by the company's articles, which—

- (a) states that for the future, so long as he is an entitled person, he will be sent a summary financial statement instead of the full accounts and reports of the company, unless he notifies the company in writing that he wishes to continue to receive full accounts and reports;
- (b) accompanies a copy of the full accounts and reports;
- (c) accompanies a copy of a summary financial statement, prepared in accordance with Article 259 of the 1986 Order and these Regulations, with respect to the financial year covered by those full accounts and reports and which is identified in the notice as an example of the document which the entitled person will receive for the future, so long as he is an entitled person, unless he notifies the company to the contrary; and
- (d) subject to paragraph (3), is accompanied by a printed card or form, in respect of which any postage necessary for its return to the company has been, or will be, paid by the company, which is so worded as to enable an entitled person (including a person to whom regulation 4(5) applies), by marking a box and returning the card or form, to notify the company that he wishes to receive full accounts and reports for the next financial year for which he is entitled to receive them as an entitled person and for all future financial years thereafter.

(3) Regulation 5(3) applies in respect of the payment of postage for the return of the printed card or form referred to in paragraph (2)(d).