
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.

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

L.S.

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 III 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.

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(2) Where any such modifications are applied by a small company, Schedule 4 shall be read as if the balance sheet formats were the formats as modified and references to the formats and the items in them shall be construed accordingly.

(3) Subject to paragraph 5, the notes on the balance sheet formats shall continue to apply to items which have been renumbered or combined into other items by the modifications under paragraph 3 or 4.

(4) For the purposes of paragraph 3(3) and (4) of Schedule 4 (power to adapt or combine items), any new item which may be included in a balance sheet by virtue of paragraph 3 or 4 shall be treated as one to which an Arabic number is assigned.

Format 1

3.—(1) Format 1 may be modified as follows.

(2) Of the items (development costs etc.) required to be shown as sub-items of item B.I (intangible assets) there need only be shown the item “goodwill” and the other items may be combined in a new item “other intangible assets”, to be shown after “goodwill”.

(3) Of the items (land and buildings etc.) required to be shown as sub-items of item B.II (tangible assets) there need only be shown the item “land and buildings” and the other items may be combined in a new item “plant and machinery etc.”, to be shown after “land and buildings”.

(4) The following items (required to be shown as sub-items of item B.111 (investments)) may be combined as follows—

- (a) item B.III.1 (shares in group undertakings) may be combined with item B.III.3 (participating interests) in a new item under the heading “shares in group undertakings and participating interests”, to be shown as the first item under the heading “investments”,
- (b) item B.III.2 (loans to group undertakings) may be combined with item B.III.4 (loans to undertakings in which the company has a participating interest) in a new item under the heading “loans to group undertakings and undertakings in which the company has a participating interest”, to be shown after the new item mentioned in head (a), and
- (c) item B.III.6 (other loans) may be combined with item B.III.7 (own shares) in a new item under the heading “others”, to be shown after item B.III.5 (other investments other than loans).

(5) Of the items (raw materials and consumables etc.) required to be shown as sub-items of item C.I (stocks) there need only be shown the item “payments on account” and the other items may be combined in a new item “stocks” to be shown before “payments on account”.

(6) The following items (required to be shown as sub-items of item C.II (debtors)) may be combined as follows—

- (a) item C.II.2 (amounts owed by group undertakings) may be combined with item C.II.3 (amounts owed by undertakings in which the company has a participating interest) in a new item under the heading “amounts owed by group undertakings and undertakings in which the company has a participating interest”, to be shown after item C.II.1 (trade debtors),
- (b) item C.II.4 (other debtors) may be combined together with item C.II.5 (called up share capital not paid) and item C.II.6 (prepayments and accrued income) in a new item under the heading “others”, to be shown after the new item mentioned in head(a).

(7) Of the items (shares in group undertakings etc.) required to be shown as sub-items of item C.III (investments) there need only be shown the item “shares in group undertakings” and the

other items may be combined in a new item “other investments”, to be shown after “shares in group undertakings”.

(8) The following items (required to be shown as sub-items of item E (creditors: amounts falling due within one year)) may be combined as follows—

(a) item E.6 (amounts owed to group undertakings) may be combined with item E.7 (amounts owed to undertakings in which the company has a participating interest) in a new item under the heading “amounts owed to group undertakings and undertakings in which the company has a participating interest”, to be shown after item E.2 (bank loans and overdrafts) and item E.4 (trade creditors); and

(b) item E.1 (debenture loans), item E.3 (payments received on account), item E.5 (bills of exchange payable), item E.8 (other creditors including taxation and social security) and item E.9 (accruals and deferred income) may be combined in a new item under the heading “other creditors”, to be shown after the new item mentioned in head (a).

(9) The following items (required to be shown as sub-items of item H (creditors: amounts falling due after more than one year)) may be combined as follows—

(a) item H.6 (amounts owed to group undertakings) may be combined with item H.7 (amounts owed to undertakings in which the company has a participating interest) in a new item under the heading “amounts owed to group undertakings and undertakings in which the company has a participating interest”, to be shown after H.2 (bank loans and overdrafts) and item H.4 (trade creditors), and

(b) item H.1 (debenture loans), item H.3 (payments received on account), item H.5 (bills of exchange payable), item H.8 (other creditors including taxation and social security) and item H.9 (accruals and deferred income) may be combined in a new item under the heading “other creditors”, to be shown after the new item mentioned in head(a>).

(10) The items (pensions and similar obligations etc.) required to be shown as sub-items of item I (provisions for liabilities and charges) and the items (capital redemption reserve etc.) required to be shown as sub-items of item K.IV (other reserves) need not be shown.

Format 2

4.—(1) Format 2 may be modified as follows.

(2) Of the items (development costs etc.) required to be shown as sub-items of item B.I (intangible assets) under the general heading “ASSETS” there need only be shown the item “goodwill” and the other items may be combined in a new item “other intangible assets”, to be shown after “goodwill”.

(3) Of the items (land and buildings etc.) required to be shown as sub-items of item B.II (tangible assets) under the general heading “ASSETS” there need only be shown the item “land and buildings” and the other items may be combined in a new item “plant and machinery etc.”, to be shown after “land and buildings”.

(4) The following items (required to be shown as sub-items of item B.III (investments) under the general heading “ASSETS”) may be combined as follows—

(a) item B.III.1 (shares in group undertakings) may be combined with item B.III.3 (participating interests) in a new item under the heading “shares in group undertakings and participating interests”, to be shown as the first item under the heading “investments”,

(b) item B.III.2 (loans to group undertakings) may be combined with item B.III.4 (loans to undertakings in which the company has a participating interest) in a new item under

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the heading “loans to group undertakings and undertakings in which the company has a participating interest” , to be shown after the new item mentioned in head (a), and

- (c) item B.III.6 (other loans) may be combined with item B.III.7 (own shares) in a new item under the heading “others”, to be shown after item B.III.5 (other investments other than loans).

(5) Of the items (raw materials and consumables etc.) required to be shown as sub-items of item C. 1 (stocks) under the general heading “ASSETS” there need only be shown the item “payments on account” and the other items may be combined in a new item “stocks”, to be shown before “payments on account”.

(6) The following items (required to be shown as sub-items of item C.11 (debtors) under the general heading “ASSETS”) may be combined as follows—

- (a) item C.II.2 (amounts owed by group undertakings) may be combined with item C.II.3 (amounts owed by undertakings in which the company has a participating interest) in a new item under the heading “amounts owed by group undertakings and undertakings in which the company has a participating interest”, to be shown after item C.11.1 (trade debtors),
- (b) item C.II.4 (other debtors) may be combined together with item C.II.5 (called up share capital not paid) and item C.II.6 (prepayments and accrued income) in a new item under the heading “others”, to be shown after the new item mentioned in head (a).

(7) Of the items (shares in group undertakings etc.) required to be shown as sub-items of item C.III (investments) under the general heading “ASSETS” there need only be shown the item “shares in group undertakings” and the other items may be combined in a new item “other investments”, to be shown after “shares in group undertakings”.

(8) The following items (required to be shown as sub-items of item C (creditors) under the general heading “LIABILITIES”) may be combined as follows—

- (a) item C.6 (amounts owed to group undertakings) may be combined with item C.7 (amounts owed to undertakings in which the company has a participating interest) in a new item under the heading “amounts owed to group undertakings and undertakings in which the company has a participating interest”, to be shown after the items for “bank loans and overdrafts” and “trade creditors”, and
- (b) item C.1 (debenture loans), item C.3 (payments received on account), item C.5 (bills of exchange payable), item C.8 (other creditors including taxation and social security) and item C.9 (accruals and deferred income) may be combined in a new item under the heading “other creditors” , to be shown after the new item mentioned in head (a>)

(9) The items (pensions and similar obligations etc.) required to be shown as sub-items of item B (provisions for liabilities and charges) under the general heading “LIABILITIES” and the items (capital redemption reserve etc.) required to be shown as sub-items of item A.IV (other reserves) under the general heading “LIABILITIES” need not be shown.

The notes on the balance sheet formats

5. With regard to the notes on the balance sheet formats set out in Section B of Part I to Schedule 4, a small company—

- (a) in the case both of Format 1 and of Format 2, need not comply with the requirements of note (5) if it discloses in the notes to its accounts the aggregate amount included under “debtors” (item C.II in Format 1 and item C.II under the general heading “ASSETS” in Format 2) falling due after more than one year, and
- (b) in the case of Format 2, need not comply with the requirements of note (13) if it discloses in the notes to its accounts the aggregate amount included under “creditors” (item

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C under the general heading “LIABILITIES”) falling due within one year and the aggregate amount falling due after one year.

The notes to the accounts

6. A small company need not set, out in the notes to its accounts any information required by the following paragraphs of Schedule 4—

40	contingent right to allotment of shares),
41	(debentures),
44	(land and buildings),
47	(provision for taxation),
48(2)	(particulars of debts),
48(4)(b)	(nature of security given for debts),
51(2)	(loans provided by way of financial assistance for purchase of own shares),
51(3)	(dividend),
53	(separate statement of certain items of income and expenditure),
54	(particulars of tax),
56	(particulars of staff).

7. Where any assets are included in the accounts of a small company at a value determined by the application of a method permitted by paragraph 27 of Schedule 4, the notes to the accounts need not disclose any information required by paragraph 27(3).

8. A small company may comply with paragraph 48(1) of Schedule 4 (disclosure of debts repayable in more than 5 years) as if that paragraph stated that the information required by it was to be given in aggregate for all items shown under “Creditors” in the company’s balance sheet rather than in respect of each such item.

9.—(1) Subject to sub-paragraph (2), a small company need not give the information required by paragraph 55 of Schedule 4 (particulars of turnover).

(2) If the company has supplied geographical markets outside the United Kingdom during the financial year in question, the notes to the accounts shall state the percentage of its turnover that, in the opinion of the company’s directors, is attributable to those markets.

(3) Paragraph 55(3) of Schedule 4 shall apply for the purposes of sub-paragraph (2).

10. A small company need not comply with paragraph 59 of Schedule 4 (dealings with or interests in group undertakings).

11. A small company need not give the information required by paragraph 4 (financial years of subsidiary undertakings) or paragraph 5(2) (valuation of investment in subsidiary undertakings by equity method) of Schedule 5(13).

(13) Schedule 5 to the 1986 Order was substituted by Article 8(2) of and Schedule 3 to the Companies (Northern Ireland Order 1990).

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12. A small company need not give the information required by paragraph 1(3) (breakdown of aggregate amount of directors' emoluments), paragraphs 2 to 5 (details of chairman's and directors' emoluments) or paragraph 7 (pensions of directors and past directors) of Schedule 6(14).

SECTION B

Group Accounts

- 13.—(1) Subject to sub-paragraph (2), where a small company—
- (a) has prepared individual accounts for a financial year in accordance with any exemptions set out in Section A, and
 - (b) is preparing group accounts in respect of the same year,
- it may prepare those group accounts in accordance with the exemptions set out in Section A.
- (2) In preparing the consolidated balance sheet the company—
- (a) when using either balance sheet format set out in Section B of Part I of Schedule 4, shall not combine item B.111.1 (shares in group undertakings) with item B.111.3 (participating interests), and
 - (b) when applying the exemptions set out in paragraphs 3(4)(b) and 4(4)(b) of Section A, shall read the reference in each paragraph to the new item mentioned in head(a) as a reference to the two items which will in each case replace item B.III.3 by virtue of paragraph 21 of Schedule 4A(15).
- (3) Paragraph 1(1) of Schedule 4A shall have effect subject to the exemptions in question.

SECTION C

Supplementary Provisions

- 14.—(1) This paragraph applies where a small company has prepared annual accounts in accordance with any exemptions set out in this Part.
- (2) The annual accounts of the company shall not be deemed, by reason only of the fact that advantage has been taken of any exemptions set out in this Part, not to give a true and fair view as required by this Order.
- (3) Where a company is entitled to, and has taken advantage of, any exemptions set out in this Part, Article 243(2)(16) only requires the auditors to state whether in their opinion the annual accounts have been properly prepared in accordance with the provisions of this Order applicable to small companies.”

The new Part II

3. The following shall be inserted in Schedule 8 as Part 11 immediately after the Part inserted by paragraph 2—

(14) Schedule 6 to the 1986 Order has been amended by Article 8(4) of and Schedule 4 to the Companies (Northern Ireland Order 1990.

(15) Schedule 4A was inserted into the 1986 Order by Article 7(2) of and Schedule 2 to the Companies (Northern Ireland) Order 1990.

(16) Article 243 was inserted into the 1986 Order by Article 11 of the Companies (Northern Ireland) Order 1990.

“Part 11

EXEMPTIONS WITH RESPECT TO DIRECTORS' REPORT

15. The directors' report of a small company need not give any of the information required by or under the following provisions—

- (a) Article 242(1)(a) and (b) (fair review of business, amount to be paid as dividend and amount to be carried to reserves)(**17**);
- (b) paragraph 1 of Schedule 7 (asset values)(**18**);
- (c) paragraph 5A of Schedule 7 (insurance effected for officers or auditors)(**19**);
- (d) paragraph 6 of Schedule 7 (miscellaneous disclosures)(**20**);
- (e) paragraph 10 of Schedule 7 (health, safety and welfare at work of company's employees); and
- (f) paragraph 11 of Schedule 7 (employee involvement)(**21**).”.

The modifications referred to in paragraph 1(2)

4.—(1) Paragraphs 1 to 10 of Schedule 8 shall be modified as follows.

(2) In paragraph 3(1) for the words “paragraph 48(1) and (4)” there shall be substituted the words “paragraph 48(1) and (4)(a)”.

(3) After paragraph 3(3) there shall be inserted the following sub-paragraph—

“(4) The information required by Article 398A(3) need not be given(**22**).”.

(4) In paragraphs 7(1), 8(1) and 10(1), for the words “Part I or II” there shall be substituted in each case the words “Section A or Section B of this Part”.

(5) In paragraph 7(1)(a), for the words “Part I, or as the case may be, Part II” there shall be substituted the words “Section A or, as the case may be, Section B of this Part”.

(6) In paragraph 7(2), there shall be inserted at the end “or, where Article 254(1A) applies, immediately above the statements required by that Article”.

(7) In paragraph 9, for the words “Paragraphs 7 and 8” there shall be substituted the words “Paragraphs 23 and 24”.

(8) In paragraph 10(2) and (3), for the words “this Schedule” where they occur, there shall be substituted the words “this Part of this Schedule”.

(17) Article 242 was inserted into the 1986 Order by Article 10(1) of the Companies (Northern Ireland) Order 1990.

(18) Paragraph 1 of Schedule 7 to the 1986 Order has been amended by Article 10(2) of, and paragraph 2(1) of Schedule 5 to, the Companies (Northern Ireland) Order 1990.

(19) Paragraph 5A of Schedule 7 to the 1986 Order was inserted by Article 72(2) of the Companies (No. 2) (Northern Ireland) Order 1990, *S.I. 1990/1504 (N.I. 10)*.

(20) Paragraph 6 of Schedule 7 to the 1986 Order has been amended by Article 10(2) of, and paragraph 2(2) of Schedule 5 to, the Companies (Northern Ireland) Order 1990.

(21) Paragraph 11 of Schedule 7 was inserted into the 1986 Order by Article 3(2) of the Industrial Relations (Northern Ireland) Order 1987, *S.I. 1987/936 (N.I. 9)*.

(22) Article 398A was inserted into the 1986 Order by Article 56 of the Companies (No. 2) (Northern Ireland) Order 1990.

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EXPLANATORY NOTE

(This note is not part of the Regulations)

1. These Regulations implement Council Directive [90/604/EEC](#) (O.J. No. L317, 16.11.1990, pages 57 to 59) which amends Directive [78/660/EEC](#) on annual accounts (O.J. No. L222, 14.8.1978, pages 11 to 31) (the Fourth E.C. Company Law Directive) and Directive [83/349/EEC](#) on consolidated accounts (O.J. No. L193, 18.7.1983, pages 1 to 17) (the Seventh E.C. Company Law Directive) as concerns the exemptions for small and medium-sized companies and the publication of accounts in ECUs. They also take advantage of some existing Member State options in Directive [78/660/EEC](#) on annual accounts and make some minor amendments to Part VIII of the Companies (Northern Ireland) Order 1986 (“the 1986 Order”) (Accounts and Audit).

2. Regulation 2 permits delivery to the registrar of companies and publication of accounts translated into European Currency Units (ECUs).

3. Regulation 3 and the Schedule to the Regulations modify the requirements of Part VIII of the 1986 Order and Schedule 8 to that Order (exemptions for small and medium-sized companies) in respect of the content of the annual accounts and directors' reports of small companies. These exemptions apply not only to the individual accounts of such companies but also to the group accounts where a small company prepares them. After the application of all the exemptions conferred by paragraph 2 of the Schedule, the individual balance sheet of a small company which adopts Format I would be as follows:

Format I

- A.** Called up share capital not paid
- B.** Fixed assets
 - (I) Intangible assets
 - (1) Goodwill
 - (2) Other intangible assets
 - (II) Tangible assets
 - (1) Land and buildings
 - (2) Plant and machinery etc.
 - (III) Investments
 - (1) Shares in group undertakings and participating interests
 - (2) Loans to group undertakings and undertakings in which the company has a participating interest
 - (3) Other investments other than loans
 - (4) Others
- C.** Current Assets
 - (I) Stocks
 - (1) Stocks
 - (2) Payments on account

(II) Debtors

- (1) Trade debtors
- (2) Amounts owed by group undertakings and under-takings in which the company has a participating interest
- (3) Others

(III) Investments

- (1) Shares in group undertakings
- (2) Other investments

IV. Cash at bank and in hand

D. Prepayments and accrued income

E. Creditors: amounts falling due within one year

- (1) Bank loans and overdrafts
- (2) Trade creditors
- (3) Amounts owed to group undertakings and undertakings in which the company has a participating interest
- (4) Other creditors

F. Net current assets (liabilities)

G. Total assets less current liabilities

H. Creditors: amounts falling due after more than one year

- (1) Bank loans and overdrafts
- (2) Trade creditors
- (3) Amounts owed to group undertakings and undertakings in which the company has a participating interest
- (4) Other creditors

I. Provisions for liabilities and charges

J. Accruals and deferred income

K. Capital and reserves

I. Called up share capital

II. Share premium account

III. Revaluation reserve

IV. Other reserves

V. Profit and loss account

4. Regulations 4 and 5 raise the thresholds contained in Articles 255 and 257 of the 1986 Order for the exemptions applicable to small and medium-sized companies and groups.

5. Regulation 6 contains transitional provisions. Regulation 6(1) provides for the Regulations to apply to accounts for financial years ending on or after the date of coming into operation of the Regulations. Regulation 6(2) makes transitional provision to enable companies to take early advantage of the new thresholds for small and medium-sized companies.

6. The Regulations also correct two minor defects in the 1986 Order. Regulations 4(2) and 5(2) correct the position whereby certain small and medium-sized companies were technically precluded

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

from filing abbreviated accounts with the registrar of companies. Paragraph 4(3) of the Schedule to the Regulations restores the exemption for small companies from the requirement to disclose the auditors' remuneration in the abbreviated accounts they may deliver to the registrar of companies. This exemption was inadvertently removed by the Companies (Northern Ireland) Order 1990.