
STATUTORY INSTRUMENTS

1990 No. 593

The Companies (Northern Ireland) Order 1990

PART II

COMPANY ACCOUNTS

Provisions applying to companies generally

Directors' report

10.—(1) The following Articles are inserted in Part VIII of the 1986 Order—

“Directors' report

Duty to prepare directors' report

242.—(1) The directors of a company shall for each financial year prepare a report—

- (a) containing a fair review of the development of the business of the company and its subsidiary undertakings during the financial year and of their position at the end of it, and
- (b) stating the amount (if any) which they recommend should be paid as dividend and the amount (if any) which they propose to carry to reserves.

(2) The report shall state the names of the persons who, at any time during the financial year, were directors of the company, and the principal activities of the company and its subsidiary undertakings in the course of the year and any significant change in those activities in the year.

(3) The report shall also comply with Schedule 7 as regards the disclosure of the matters mentioned there.

(4) In Schedule 7—

Part I relates to matters of a general nature, including changes in asset values, directors' shareholdings and other interests and contributions for political and charitable purposes,
Part II relates to the acquisition by a company of its own shares or a charge on them,
Part III relates to the employment, training and advancement of disabled persons,
Part IV relates to the health, safety and welfare at work of the company's employees, and
Part V relates to the involvement of employees in the affairs, policy and performance of the company.

(5) In the case of any failure to comply with the provisions of this Part as to the preparation of a directors' report and the contents of the report, every person who was a director of the company immediately before the end of the period for laying and delivering accounts and reports for the financial year in question is guilty of an offence and liable to a fine.

(6) In proceedings against a person for an offence under this Article it is a defence for him to prove that he took all reasonable steps for securing compliance with the requirements in question.

Approval and signing of directors' report

242A.—(1) The directors' report shall be approved by the board of directors and signed on behalf of the board by a director or the secretary of the company.

(2) Every copy of the directors' report which is laid before the company in general meeting, or which is otherwise circulated, published or issued, shall state the name of the person who signed it on behalf of the board.

(3) The copy of the directors' report which is delivered to the registrar shall be signed on behalf of the board by a director or the secretary of the company.

(4) If a copy of the directors' report—

(a) is laid before the company, or otherwise circulated, published or issued, without the report having been signed as required by this Article or without the required statement of the signatory's name being included, or

(b) is delivered to the registrar without being signed as required by this Article,

the company and every officer of it who is in default is guilty of an offence and liable to a fine.”.

(2) Schedule 7 to the 1986 Order (matters to be included in directors' report) is amended in accordance with Schedule 5 to this Order.