
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations set out how the provisions of the Companies Act 1985 (“the 1985 Act”) are to apply to revised annual accounts of a company or a revised directors' report which have been prepared under section 245 and (2) of the 1985 Act (as inserted by section 12 of the Companies Act 1989). They make provision either for a full revision (whereby the original, defective, annual accounts are replaced by the revised accounts) or for a partial revision (whereby the original, defective accounts are supplemented by a note setting out the corrections to be made).

Revised accounts are, under Regulation 3, to be prepared as if they were being prepared as at the date of the approval of the original, defective, accounts — with the result that they do not take account of assets and liabilities, income or expenditure arising after that date. Similarly a revised directors' report is to be prepared as at the date of the original directors' report. Regulations 4 and 5, in setting out the procedures for the approval and signing of revised accounts or a revised report, require statements to be inserted into the revised documents making clear what they are. Regulations 6 and 7 make provision for a special auditors' report on revised accounts or on a revised report.

Regulation 8 provides that as from the date of revision of the revised accounts they are to be regarded as the company's annual accounts for all the purposes of the 1985 Act (so that, for example, if the original, defective, accounts have not been by that date sent to the members of the company under section 238 of the 1985 Act, laid before the company under section 241 of the 1985 Act or delivered to the registrar under section 242 of the 1985 Act, the revised accounts must be so sent, laid or delivered under those sections). Regulation 9 makes similar provision with respect to the directors' report.

Regulations 10 to 12 require the directors to take certain steps with regard to revised accounts or a revised report where, prior to the date of the revision, copies of the original, defective, accounts or report have been sent to members of the company under section 238 of the 1985 Act, laid before the company under section 241 of the 1985 Act or delivered to the registrar under section 242 of the 1985 Act. Regulations 13 and 14 make special provision with respect to situations where, prior to the date of revision, accounts abbreviated as for a small or medium-sized company or summary financial statements have been delivered or sent based upon the original, defective, accounts.

Provision is made with respect to dormant companies by Regulation 15, whilst Regulation 16 deals with the case where the requirements of the 1985 Act as to the contents of accounts or the directors' report have changed in between the date of the original, defective, accounts and the date of revision.

Sections 245(1) and (2) apply with respect to accounts and reports for a financial year of a company commencing on or after 23rd December 1989, by virtue of Article 6 of the Companies Act 1989 (Commencement No. 8 and Transitional and Saving Provisions) Order 1990 ([S.I. 1990/2569](#)).