
EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations amend Articles 258 and 259 of the Companies (Northern Ireland) Order 1986 (“the 1986 Order”).

Article 258 enables a private company which is dormant, subject to certain conditions, to exempt itself by special resolution from the audit requirements of Part VIII of the 1986 Order. Regulation 2 amends Article 258(1) by removing the references in that paragraph to general meetings of the company at which annual accounts are laid. Under Article 258(1)(a) as amended the special resolution required by the Article can be passed at any time, provided that the company has been dormant from the time of its formation. Under Article 258(1)(b) as amended the special resolution must be passed after copies of the annual accounts and reports for the previous financial year have been sent out in accordance with Article 246 of the 1986 Order.

Article 259 permits certain public companies to send out summary financial statements to members of the company instead of the full accounts and reports where the requirements of regulations made under the section are satisfied. Regulation 3 of these Regulations extends the scope of Article 259 so that it applies not only to public companies whose shares, or any class of whose shares, are listed on The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited, but also to public companies whose debentures, or any class of whose debentures, are so listed. The scope of Article 259 is also extended so that that Article and any regulations made under it apply not only to the members of a company but to any person entitled under Article 246 to receive copies of a company’s accounts and reports.

Finally, regulation 3(4)(b) amends Article 259(2) to enable regulations to be made as to the ascertainment of the wishes of persons regarding the receipt of full accounts and reports before they become entitled persons (as defined).