
STATUTORY RULES OF NORTHERN IRELAND

2006 No. 137

The Companies (1986 Order) (Investment Companies and Accounting and Audit Amendments) Regulations (Northern Ireland) 2006

**PART I
GENERAL**

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Companies (1986 Order) (Investment Companies and Accounting and Audit Amendments) Regulations (Northern Ireland) 2006.

(2) These Regulations shall come into operation on 1st April 2006, and apply to accounts copies of which are delivered to the registrar of companies on or after that date.

(3) Part III and regulation 12 in Part IV of these Regulations have effect as respects companies' financial years which begin on or after 1st July 2005 and which end on or after 1st April 2006.

(4) In these Regulations, the “1986 Order” means the Companies (Northern Ireland) Order 1986.

**PART II
DISTRIBUTIONS BY INVESTMENT COMPANIES**

Other permitted distributions by investment companies

2.—(1) Article 273 of the 1986 Order (other distributions by investment companies)(1) is amended as follows.

(2) In paragraph (1)(a), after “liabilities” insert “to creditors”.

(3) In paragraph (2)—

(a) after “liabilities” in both places where it occurs insert “to creditors”, and

(b) after “and any provision” insert “for liabilities to creditors”.

(1) Article 273 was amended by section 212(2) of, and paragraph 34 of Schedule 16 to, the Financial Services Act 1986 (c. 60), article 57 of S.I.2001/3649, regulation 2 of S.R. 2004 No. 22 and regulations 3 and 15 of, and paragraph 25 of Schedule 1 and paragraph 9 of Schedule 7 to, S.R. 2004 No. 496

PART III

ADJUSTMENT OF NON-COMPARABLE AMOUNTS

Adjustment of prior year items in balance sheet and profit and loss account

3. In paragraph 4(2) of Schedule 4 to the 1986 Order (requirement to adjust non-comparable corresponding amounts in balance sheet and profit and loss account)—

- (a) for “shall be adjusted” substitute “may be adjusted”, and
- (b) for “particulars of the adjustment and the reasons for it” substitute “particulars of the non-comparability and of any adjustment”.

Prior year disclosures in notes to accounts

4. Omit paragraphs 58(2) and (3) of Schedule 4 to the 1986 Order (disclosure of corresponding amounts in notes to accounts)(2).

Adjustment of prior year items in small company balance sheet and profit and loss account

5. In paragraph 4(2) of Schedule 8 to the 1986 Order (requirement to adjust non-comparable corresponding amounts in balance sheet and profit and loss account of small company)(3)—

- (a) for “shall be adjusted” substitute “may be adjusted”, and
- (b) for “particulars of the adjustment and the reasons for it” substitute “particulars of the non-comparability and of any adjustment”.

Prior year disclosures in notes to small company accounts prepared for members

6. Omit paragraph 51(2) and (3) of Schedule 8 to the 1986 Order (disclosure of corresponding amounts in notes to small company accounts prepared for members).

Prior year disclosures in notes to small company abbreviated accounts

7. Omit paragraph 9(2) and (3) of Schedule 8A to the 1986 Order (disclosure of corresponding amounts in notes to small company abbreviated accounts delivered to registrar of companies)(4).

Adjustment of prior year items in balance sheet and profit and loss account of banking companies

8. In paragraph 4(2) of Schedule 9 to the 1986 Order (requirement to adjust non-comparable corresponding amounts in balance sheet and profit and loss account of banking companies)(5)—

- (a) for “shall be adjusted” substitute “may be adjusted”, and
- (b) for “particulars of the adjustment and the reasons for it” substitute “particulars of the non-comparability and of any adjustment”.

(2) Paragraph 58 was amended by Article 6(2) of, and paragraph 10 of Schedule 1 to, [S.I.1990/593 \(N.I. 5\)](#)
(3) Schedule 8 was substituted by regulation 2(2) of, and Schedule 1 to, [S.R. 1997 No. 436](#) and amended by article 70 of [S.I. 2001/3649](#), regulation 3 of, and Schedule 1 to, [S.R. 2004 No. 307](#) and regulation 14(2) of, and Schedule 3 to, [S.R. 2004 No. 496](#)
(4) Schedule 8A was inserted by regulation 2(3) of, and Schedule 2 to, [S.R. 1997 No. 436](#), amended by regulation 7 of [S.R. 2001 No. 153](#) and regulation 14(3) of, and Schedule 4 to, [S.R. 2004 No. 496](#)
(5) Parts I to III of Schedule 9 were inserted before a re-numbered Schedule 9A by regulation 5 of [S.R. 1992 No. 258](#). Part VI of Schedule 9 was substituted by Article 20(3) and (4) of, and Part IV of Schedule 7 to, [S.I. 1990/593 \(N.I. 5\)](#)

Prior year disclosures in notes to accounts of banking companies

9. Omit paragraph 47(2) and (3) of Schedule 9 to the 1986 Order (disclosure of corresponding amounts in notes to banking company accounts).

Adjustment of prior year items in balance sheet and profit and loss account of insurance companies

10. In paragraph 3(2) of Schedule 9A to the 1986 Order (requirement to adjust non-comparable corresponding amounts in balance sheet and profit and loss account of insurance companies)(6)—

- (a) for “shall be adjusted” substitute “may be adjusted”, and
- (b) for “particulars of the adjustment and the reasons for it” substitute “particulars of the non-comparability and of any adjustment”.

Prior year disclosures in notes to accounts of insurance companies

11. Omit paragraphs 54(2) and (3) of Schedule 9A to the 1986 Order (disclosure of corresponding amounts in notes to insurance company accounts)(7).

PART IV

SMALL AND MEDIUM-SIZED COMPANIES

Special provisions for small companies

12. In Article 254(3)(b) of the 1986 Order (special provisions for small companies)(8), before sub-paragraph (i) insert—

- “(ai) Article 239A (disclosure required in notes to annual accounts: particulars of staff);”.

Disapplication of special provisions for small and medium-sized companies

13. In Article 255A(1B)(b)(9), for “one or more regulated activities” substitute “a regulated activity”.

Dormant companies

14. In Article 257AA(3)(a) of the 1986 Order (dormant companies)(10), for “one or more regulated activities” substitute “a regulated activity”.

(6) Parts I and II of Schedule 9 to the Companies (Northern Ireland) Order 1986 were formed into a new Schedule 9A by regulation 5 of S.R. 1992 No. 258. A new Schedule 9A was substituted by regulation 4 of, and Schedule 1 to, S.R. 1994 No. 428

(7) Paragraph 54 was substituted by regulation 13(7) of, and Schedule 5 to, S.R. 1997 No. 314

(8) Article 254 was substituted by regulation 2(1) of S.R. 1997 No. 436, amended by regulation 6(1) of S.R. 1997 No. 545, regulation 8(1) of S.R. 2001 No. 153, regulations 3 and 13(2) of, and paragraph 14 of Schedule 1 to, S.R. 2004 No. 496 and regulation 4 of S.R. 2005 No. 61

(9) Article 255A was inserted by regulation 4 of S.R. 1997 No. 436, amended by article 51 of S.I. 2001/3649 and regulation 6 of S.R. 2005 No. 61

(10) Article 257AA was inserted by regulation 3 of S.R. 2001 No. 153, and amended by article 53 of S.I. 2001/3649

Cases where exemption from audit not available

15. In Article 257B(1)(d) of the 1986 Order (cases where exemption from audit not available)(11), after “Act 2000” insert “(other than an appointed representative whose scope of appointment is limited to activities that are not regulated activities for the purposes of this Part: see Article 270)”.

Definition of “regulated activity”

16.—(1) In Article 270 (minor definitions), at the appropriate place insert—

““regulated activity” has the meaning given by Article 2, except that it does not include activities of the kind specified in any of the following provisions of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001—

- (a) article 25A (arranging regulated mortgage contracts),
- (b) article 39A (assisting administration and performance of a contract of insurance),
- (c) article 53A (advising on regulated mortgage contracts), or
- (d) article 21 (dealing as agent), article 25 (arranging deals in investments) or article 53 (advising on investments) where the activity concerns relevant investments that are not contractually based investments (within the meaning of article 3 of that Order);”.

(2) In Article 270A (index of defined expressions), at the appropriate place insert—

““regulated activity”

Articles 2 and 270.”

PART V

CONSEQUENTIAL AMENDMENTS

17. In Schedule 1 to the Limited Liability Partnerships Regulations (Northern Ireland) 2004(12), in the entries relating to Articles 255A and 257AA of the 1986 Order, for “one or more regulated activities” in each place where it occurs substitute “a regulated activity”.

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment on 16th March 2006

L.S.

M Bohill
A senior officer of the
Department of Enterprise, Trade and Investment

(11) Article 257B was inserted by regulation 2 of S.R. 1995 No. 128, amended by regulation 9 of S.R. 1997 No. 314, regulation 3 of S.R. 1997 No. 500, article 54 of S.I. 2001/3649 and regulation 4 of S.R. 2001 No. 153

(12) S.R. 2004 No. 307