

SCHEDULE 1

Regulation 2.

DELIVERY OF REPORTS AND ACCOUNTS: CREDIT AND FINANCIAL INSTITUTIONS
TO WHICH THE BANK BRANCHES DIRECTIVE (89/117/EEC) APPLIES

“SCHEDULE 21C

Section 699A.

DELIVERY OF REPORTS AND ACCOUNTS: CREDIT AND FINANCIAL INSTITUTIONS
TO WHICH THE BANK BRANCHES DIRECTIVE (89/117/EEC) APPLIES

PART I

INSTITUTIONS REQUIRED TO PREPARE ACCOUNTS UNDER PARENT LAW

Scope of Part and Interpretation

1.—(1) This Part of this Schedule applies to any institution to which section 699A applies which is required by its parent law to prepare and have audited accounts for its financial periods and whose only or principal branch within the United Kingdom is in Great Britain.

(2) In this Part of this Schedule, “branch” has the meaning given by section 699A.

Duty to deliver copies in Great Britain

2.—(1) An institution to which this Part of this Schedule applies shall, within one month of becoming such an institution, deliver to the registrar for registration—

- (a) copies of the latest accounting documents of the institution prepared in accordance with its parent law to have been disclosed before the end of the period allowed for compliance with this sub-paragraph or, if earlier, the date of compliance with it, and
- (b) if any of the documents mentioned in paragraph (a) above is not written in the English language, a translation of it into English certified in the prescribed manner to be a correct translation.

Where an institution to which this Part of this Schedule applies had, immediately prior to becoming such an institution, a branch in Northern Ireland which was its only or principal branch within the United Kingdom it may, instead of delivering the documents mentioned in sub-paragraph (1)(a) under that paragraph, deliver thereunder a notice that it has become an institution to which this Part of this Schedule applies, provided that those documents have been delivered to the registrar for Northern Ireland pursuant to the Companies (Northern Ireland) Order 1986(1).

3.—(1) An institution to which this Part of this Schedule applies shall deliver to the registrar for registration—

- (a) copies of all the accounting documents of the institution prepared in accordance with its parent law which are disclosed on or after the end of the period allowed for compliance with paragraph 2(1) or, if earlier, the date on which it complies with that paragraph, and
- (b) if any of the documents mentioned in paragraph (a) above is not written in the English language, a translation of it into English, certified in the prescribed manner to be a correct translation.

(2) The period allowed for delivery, in relation to a document required to be delivered under this paragraph, is 3 months from the date on which the document is first disclosed.

(1) S.I.1986/1032 (N.I.6), as amended.

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4. Where an institution's parent law permits it to discharge an obligation with respect to the disclosure of accounting documents by disclosing documents in a modified form, it may discharge its obligation under paragraph 2 or 3 by delivering copies of documents modified as permitted by that law.

5.—(1) Neither paragraph 2 nor paragraph 3 shall require an institution to deliver documents to the registrar if at the end of the period allowed for compliance with that paragraph—

- (a) it is not required by its parent law to register them,
- (b) they are made available for inspection at each branch of the institution in Great Britain, and
- (c) copies of them are available on request at a cost not exceeding the cost of supplying them.

(2) Where by virtue of sub-paragraph (1) above an institution is not required to deliver documents under paragraph 2 or 3 and any of the conditions specified in that sub-paragraph ceases to be met, the institution shall deliver the documents to the registrar for registration within 7 days of the condition ceasing to be met.

Registrar to whom documents to be delivered

6. The documents which an institution is required to deliver to the registrar under this Part of this Schedule shall be delivered—

- (a) to the registrar for England and Wales if the institution's only branch, or (if it has more than one) its principal branch within the United Kingdom, is in England and Wales; or
- (b) to the registrar for Scotland if the institution's only branch, or (if it has more than one) its principal branch within the United Kingdom, is in Scotland.

Penalty for non-compliance

7.—(1) If an institution fails to comply with paragraph 2, 3 or 5(2) before the end of the period allowed for compliance, the institution and every person who immediately before the end of that period was a director of the institution, or, in the case of an institution which does not have directors, a person occupying an equivalent office, is guilty of an offence and liable to a fine and, for continued contravention, to a daily default fine.

(2) It is a defence for a person charged with an offence under this paragraph to prove that he took all reasonable steps for securing compliance with paragraph 2, 3 or 5(2), as the case may be.

Interpretation

8.—(1) In this Part of this Schedule—

“financial period” in relation to an institution, means a period for which the institution is required or permitted by its parent law to prepare accounts;

“parent law”, in relation to an institution, means the law of the country in which the institution has its head office;

and references to disclosure are to public disclosure, except where an institution is not required under its parent law, any enactment (including any subordinate legislation within the meaning of section 21 of the Interpretation Act 1978⁽²⁾) having effect for Great Britain or its constitution to publicly disclose its accounts, in which case such references are to the disclosure of the accounts to the persons for whose information they have been prepared.

(2) For the purposes of this Part of this Schedule, the following are accounting documents in relation to a financial period of an institution—

(2) 1978 c. 30.

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- (a) the accounts of the institution for the period, including, if it has one or more subsidiaries, any consolidated accounts of the group,
- (b) any annual report of the directors (or, in the case of an institution which does not have directors, the persons occupying equivalent offices) for the period,
- (c) the report of the auditors on the accounts mentioned in paragraph (a) above, and
- (d) any report of the auditors on the report mentioned in paragraph (b) above.

PART II

INSTITUTIONS NOT REQUIRED TO PREPARE ACCOUNTS UNDER PARENT LAW

Scope of Part and Interpretation

9.—(1) This Part of this Schedule applies to any institution to which section 699A applies which—

- (a) is incorporated, and
- (b) is not required by the law of the country in which it has its head office to prepare and have audited accounts.

(2) In this Part of this Schedule, “branch” has the meaning given by section 699A.

Preparation of accounts and reports

10. An institution to which this Part of this Schedule applies shall in respect of each financial year of the institution prepare the like accounts and directors' report, and cause to be prepared such an auditors' report, as would be required if the institution were a company to which section 700 applied.

11. Sections 223 to 225 apply to an institution to which this Part of this Schedule applies subject to the following modifications—

- (a) for the references to the incorporation of the company there shall be substituted references to the institution becoming an institution to which this Part of this Schedule applies; and
- (b) section 225(4) shall be omitted.

Duty to deliver accounts and reports

12.—(1) An institution to which this Part of this Schedule applies shall in respect of each financial year of the institution deliver to the registrar copies of the accounts and reports prepared in accordance with paragraph 10.

(2) If any document comprised in those accounts or reports is in a language other than English, the institution shall annex to the copy delivered a translation of it into English, certified in the prescribed manner to be a correct translation.

Time for delivery

13.—(1) The period allowed for delivering accounts and reports under paragraph 12 above is 13 months after the end of the relevant accounting reference period, subject to the following provisions of this paragraph.

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(2) If the relevant accounting reference period is the institution's first and is a period of more than 12 months, the period allowed is 13 months from the first anniversary of the institution's becoming an institution to which this Part of this Schedule applies.

(3) If the relevant accounting reference period is treated as shortened by virtue of a notice given by the institution under section 225, the period allowed is that applicable in accordance with the above provisions or 3 months from the date of the notice under that section, whichever last expires.

(4) If for any special reason the Secretary of State thinks fit he may, on an application made before the expiry of the period otherwise allowed, by notice in writing to an institution to which this Part of this Schedule applies, extend that period by such further period as may be specified in the notice.

(5) In this paragraph "the relevant accounting reference period" means the accounting reference period by reference to which the financial year for the accounts in question was determined.

Registrar to whom documents to be delivered

14. The documents which an institution is required to deliver to the registrar under this Part of the Schedule shall be delivered—

- (a) to the registrar for England and Wales if the institution's only branch, or (if it has more than one) its principal branch within Great Britain, is in England and Wales; or
- (b) to the registrar for Scotland if the institution's only branch, or (if it has more than one) its principal branch within Great Britain, is in Scotland.

Penalty for non-compliance

15.—(1) If the requirements of paragraph 12 are not complied with before the end of the period allowed for delivering accounts and reports, or if the accounts and reports delivered do not comply with the requirements of this Act, the institution and every person who immediately before the end of that period was a director of the institution, or, in the case of an institution which does not have directors, a person occupying an equivalent office, is guilty of an offence and liable to a fine and, for continued contravention, to a daily default fine.

(2) It is a defence for a person charged with such an offence to prove that he took all reasonable steps for securing that the requirements in question would be complied with.

(3) It is not a defence in relation to a failure to deliver copies to the registrar to prove that the documents in question were not in fact prepared as required by this Schedule."