
STATUTORY INSTRUMENTS

2008 No. 565

**The Insurance Accounts Directive (Miscellaneous
Insurance Undertakings) Regulations 2008**

PART 2

ACCOUNTS

Preparation of accounts by insurance undertakings

3.—(1) The directors of an insurance undertaking must in respect of each financial year of the undertaking—

- (a) prepare the like annual accounts and directors' report, and
- (b) cause to be prepared such an auditor's report,

as would be required under the provisions mentioned in paragraph (3) if the undertaking were a company which is an insurance company or the parent company of an insurance group.

(2) The accounts required by this regulation must—

- (a) be prepared within the period of 6 months beginning immediately after the end of the undertaking's financial year,
- (b) state that they are prepared under this regulation, and
- (c) comply with such of the requirements of the provisions mentioned in paragraph (3) as relate to the contents of accounts or reports subject, where the insurance undertaking is unincorporated, to any necessary modifications to take account of that fact.

(3) The provisions referred to in paragraphs (1) and (2) are the following provisions of the Companies Act 2006 and the Companies Accounts Regulations—

- (a) Chapters 4 and 5 of Part 15 of the Companies Act 2006 (accounts and reports),
- (b) sections 433 (name of signatory to be stated in published copies of accounts and reports) and 436 (meaning of "publication" in relation to accounts and reports) of that Act as far as the latter section has effect for the purposes of section 433,
- (c) section 469 of that Act (preparation and filing of accounts in euros),
- (d) sections 475(1) (requirement for audited accounts), 495 (auditor's report on annual accounts), 496 (auditor's report on directors' report), 498 (duties of auditor), 503 (signature of auditor's report) and 505 (names to be stated in published copies of auditor's report) of that Act,
- (e) where Companies Act individual accounts are prepared, Schedule 3 to the Companies Accounts Regulations (insurance companies: Companies Act individual accounts) other than paragraphs 11, 62, 68, 70, 71, 72, 82(2), 83 and 84 and, in paragraph 2(2), the words from "save that none of the following" to the end,
- (f) Schedule 4 to those Regulations (information on related undertakings required whether preparing Companies Act or IAS accounts) other than paragraphs 9 and 12,

- (g) Schedule 5 to those Regulations (information about benefits of directors) other than paragraphs 2, 4 and 5,
- (h) where Companies Act group accounts are prepared, Part 1 of Schedule 6 to the Companies Accounts Regulations (Companies Act group accounts: general rules) (as modified by Part 3 of that Schedule (modifications for insurance groups)) other than paragraphs 13(3) and (4), 14 and 15,
- (i) paragraphs 6 and 7 of Schedule 7 to those Regulations (directors' report).

(4) For the purposes of those provisions as applied to accounts prepared under this regulation, these Regulations are to be regarded as part of the requirements of the Companies Act 2006 and the Companies Accounts Regulations.

(5) Regulations 5 and 6 of the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008(1) apply in relation to the accounts required by this regulation as they apply in relation to the annual accounts of a company or group which is not a small or medium-sized company or group.

Publication of accounts

4.—(1) An insurance undertaking must—

- (a) make available the latest accounts and reports prepared under regulation 3 for inspection by any person, without charge and during business hours, at the undertaking's head office in the United Kingdom, and
- (b) supply to any person upon request a copy of those accounts (or such part of those accounts as may be requested) at a price not exceeding the administrative cost of making the copy.

(2) In the case of industrial and provident societies which are insurance undertakings, the obligation in paragraph (1) (b) is subject to the provisions of section 39(5) of the Industrial and Provident Societies Act 1965 or section 48(6) of the Industrial and Provident Societies Act (Northern Ireland) 1969, as the case may be.

Penalties for non-compliance (accounts)

5.—(1) If the directors of an insurance undertaking fail to comply with paragraph (1) of regulation 3 within the period referred to in paragraph (2) of that regulation, an offence is committed by every person who, immediately before the end of that period, was a director of the undertaking.

(2) If accounts and reports which are made available for inspection under regulation 4(1) do not comply with the requirements of regulation 3, an offence is committed by every person who, at the time when the accounts and reports were or the account was first made available for inspection, was a director of the insurance undertaking.

(3) If an insurance undertaking fails to comply with regulation 4(1) an offence is committed by—

- (a) the insurance undertaking, and
- (b) every director of the insurance undertaking who is in default.

(4) Where the affairs of an insurance undertaking are managed by its members, any reference in this regulation to a director of the insurance undertaking shall be read as referring to a member of the undertaking.

(5) In proceedings for an offence under this section it is a defence for the person charged to show that he took all reasonable steps and exercised all due diligence to avoid the commission of the offence.

(6) A person guilty of an offence under this regulation is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

(7) Section 1130 of the Companies Act 2006 (proceedings against unincorporated bodies) applies to an offence under paragraph (3) as it does to an offence under section 519 of that Act (statement by auditor to be deposited with company).