
STATUTORY INSTRUMENTS

1990 No. 593

The Companies (Northern Ireland) Order 1990

PART II

COMPANY ACCOUNTS

Exemptions and special provisions

Banking and insurance companies and groups: special provisions

20.—(1) The following Articles are inserted in Part VIII of the 1986 Order—

“Banking and insurance companies and groups

Special provisions for banking and insurance companies

263.—(1) A banking or insurance company may prepare its individual accounts in accordance with Part I of Schedule 9 rather than Schedule 4.

(2) Accounts so prepared shall contain a statement that they are prepared in accordance with the special provisions of this Part relating to banking companies or insurance companies, as the case may be.

(3) In relation to the preparation of individual accounts in accordance with the special provisions of this Part relating to banking or insurance companies, the references to the provisions of Schedule 4 in Article 234(4) and (5) (relationship between specific requirements and duty to give true and fair view) shall be read as references to the provisions of Part I of Schedule 9.

(4) The Department may, on the application or with the consent of the directors of a company which prepares individual accounts in accordance with the special provisions of this Part relating to banking or insurance companies, modify in relation to the company any of the requirements of this Part for the purpose of adapting them to the circumstances of the company. This does not affect the duty to give a true and fair view.

Special provisions for banking and insurance groups

263A.—(1) The parent company of a banking or insurance group may prepare group accounts in accordance with the provisions of this Part as modified by Part II of Schedule 9.

(2) Accounts so prepared shall contain a statement that they are prepared in accordance with the special provisions of this Part relating to banking groups or insurance groups, as the case may be.

(3) References in this Part to a banking group are to a group where—

(a) the parent company is a banking company, or

(b) at least one of the undertakings in the group is an authorised institution under the Banking Act 1987(1) and the predominant activities of the group are such as to make it inappropriate to prepare group accounts in accordance with the formats in Part I of Schedule 4.

(4) References in this Part to an insurance group are to a group where—

(a) the parent company is an insurance company, or

(b) the predominant activity of the group is insurance business and activities which are a direct extension of or ancillary to insurance business.

(5) In relation to the preparation of group accounts in accordance with the special provisions of this Part relating to banking or insurance groups, the references to the provisions of Schedule 4A in Article 235(5) and (6) (relationship between specific requirements and duty to give true and fair view) shall be read as references to those provisions as modified by Part II of Schedule 9.

(6) The Department may, on the application or with the consent of the directors of a company which prepares group accounts in accordance with the special provisions of this Part relating to banking or insurance groups, modify in relation to the company any of the requirements of this Part for the purpose of adapting them to the circumstances of the company.

Modification of disclosure requirements in relation to banking company or group

263B.—(1) In relation to a company which prepares accounts in accordance with the special provisions of this Part relating to banking companies or groups, the provisions of Schedule 5 (additional disclosure: related undertakings) have effect subject to Part III of Schedule 9.

(2) In relation to a banking company, or the parent company of a banking company, the provisions of Schedule 6 (disclosure: emoluments and other benefits of directors and others) have effect subject to Part IV of Schedule 9.

Directors' report where accounts prepared in accordance with special provisions

263C.—(1) The following provisions apply in relation to the directors' report of a company for a financial year in respect of which it prepares accounts in accordance with the special provisions of this Part relating to banking or insurance companies or groups.

(2) The information required to be given by paragraph 6, 8 or 13 of Part I of Schedule 9 (which is allowed to be given in a statement or report annexed to the accounts), may be given in the director's report instead.

Information so given shall be treated for the purposes of audit as forming part of the accounts.

(3) The reference in Article 242(1)(b) to the amount proposed to be carried to reserves shall be construed as a reference to the amount proposed to be carried to reserves within the meaning of Part I of Schedule 9.

(4) If the company takes advantage, in relation to its individual or group accounts, of the exemptions conferred by paragraph 27 or 28 of Part I of Schedule 9, paragraph 1 of Schedule 7 (disclosure of asset values) does not apply.

(5) The directors' report shall, in addition to complying with Schedule 7, also comply with Schedule 10 (which specifies additional matters to be disclosed)."

(2) The following Article is inserted in Part VIII of the 1986 Order—

“Power to apply provisions to banking partnerships

263D.—(1) The Department may by regulations apply to banking partnerships, subject to such exceptions, adaptations and modifications as it considers appropriate, the provisions of this Part applying to banking companies.

(2) A “banking partnership” means a partnership which is an authorised institution under the Banking Act 1987(2).

(3) No regulations under this Article shall be made unless a draft of the regulations has been laid before and approved by a resolution of the Assembly.”.

(3) Schedule 9 to the 1986 Order (form and content of special category accounts) is amended in accordance with Schedule 7 to this Order.

(4) In that Schedule—

Part I contains amendments relating to the form and content of accounts of banking and insurance companies and groups,

Part II contains provisions with respect to the group accounts of banking and insurance groups,

Part III contains provisions adapting the requirements of Schedule 5 to the 1986 Order (additional disclosure: related undertakings), and

Part IV contains provisions relating to the requirements of Schedule 6 to that Order (additional disclosure: emoluments and other benefits of directors and others).

(5) Schedule 8 to this Order (directors' report where accounts prepared in accordance with special provisions for banking and insurance companies and groups) is substituted for Schedule 10 to the 1986 Order.