

## 1993 No. 220

## COMPANIES

**Companies (1986 Order) (Amendment of Articles 258 and 259)  
Regulations (Northern Ireland) 1993**

*Made* . . . . . 30th April 1993

*Coming into operation* . . . . . 8th June 1993

The Department of Economic Development, in exercise of the powers conferred on it by Article 265(1) and (3) of the Companies (Northern Ireland) Order 1986(a) and of every other power enabling it in that behalf, hereby makes the following Regulations:—

*Citation, commencement and interpretation*

1.—(1) These Regulations may be cited as the Companies (1986 Order) (Amendment of Articles 258 and 259) Regulations (Northern Ireland) 1993 and shall come into operation on 8th June 1993.

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

*Amendment of Article 258 of the 1986 Order*

2.—(1) Article 258 of the 1986 Order (resolution not to appoint auditors)(b) shall be amended as provided in paragraphs (2) and (3).

(2) In paragraph (1), in sub-paragraph (a) the words from “by a special resolution” to the end shall be omitted.

(3) In paragraph (1), in sub-paragraph (b) for the words “at which the annual accounts for that year are laid” there shall be substituted “at any time after copies of the annual accounts and reports for that year have been sent out in accordance with Article 246(1)”(c).

*Amendment of Article 259 of the 1986 Order*

3.—(1) Article 259 of the 1986 Order (provision of summary financial statement to shareholders)(d) shall be amended as provided in paragraphs (2) to (5).

(2) In paragraph (1)—

(a) after the word “shares” in both places where it occurs there shall be inserted “or debentures”, and

---

(a) S.I. 1986/1032 (N.I. 6); Article 265 was inserted by Articles 3 and 22 of the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (N.I. 5)).

(b) Article 258 was inserted by Articles 3 and 16 of the Companies (Northern Ireland) Order 1990

(c) Article 246 was inserted by Articles 3 and 12 of the Companies (Northern Ireland) Order 1990

(d) Article 259 was inserted by Articles 3 and 17 of the Companies (Northern Ireland) Order 1990

(b) for the words “members of the company” there shall be substituted “entitled persons”.

(3) For the second paragraph of paragraph (1), there shall be substituted the following:—

“In this Article—

“entitled person”, in relation to a company, means such of the persons specified in Article 246(1)(a) to (c) as are or would apart from this Article be entitled to be sent copies of those documents relating to the company which are referred to in that paragraph; and

“listed” means admitted to the Official List of The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited.”.

(4) In paragraph (2)—

(a) For the words “any member of the company” and “a member of the company” there shall be substituted “any entitled person” and “an entitled person” respectively, and

(b) after the word “ascertained” there shall be inserted “(whether before or after he becomes an entitled person)”.

(5) In paragraph (6), for the words “members of a company” there shall be substituted “entitled persons”.

Sealed with the Official Seal of the Department of Economic Development on 30th April 1993.

(L.S.)

A. L. Brown

Assistant Secretary

## 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).