

S. I. No. 840 of 2005

**European Communities (Adjustment of Non-Comparable Amounts in Accounts
and Distributions by Certain Investment Companies) Regulations 2005**

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European Communities (Adjustment of Non-comparable Amounts in Accounts and Distributions by Certain Investment Companies) Regulations 2005

I, Micheál Martin, Minister for Enterprise, Trade and Employment, in exercise of the powers conferred on me by section 3 of the European Communities Act 1972 (No. 27 of 1972) and for the purpose of giving further effect to the Second Council Directive 77/91/EEC¹ of 13 December 1976, the Fourth Council Directive 78/660/EEC of 25 July 1978², the Seventh Council Directive 83/349/EEC of 13 June 1983³, Council Directive 86/635/EEC of 8 December 1986⁴, Council Directive 90/605 of 8 November 1990⁵ and Council Directive 91/674/EEC of 19 December 1991⁶, hereby make the following regulations:

PART I

PRELIMINARY AND GENERAL

Citation.

1. These Regulations may be cited as the European Communities (Adjustment of Non-comparable Amounts in Accounts and Distributions by Certain Investment Companies) Regulations 2005.

Application.

2. These Regulations apply to the preparation of annual accounts in the case of a company or undertaking the financial year of which commences on or after 1 January 2005.

¹ OJ No.L026, 31.1.1977, p.1

² OJ No.L222,14.8.1978, p.11

³ OJ No.L193,18.7.1983,p.1

⁴ OJ No.L372, 31.12.1986, p.1

⁵ OJ No.317, 16.11.1990, p.60

⁶ OJ No.374, 31.12.1991, p.7

Definitions.

3. In these Regulations -

“Credit Institutions Regulations” means the European Communities (Credit Institutions: Accounts) Regulations 1992 (S.I. No. 294 of 1992);

“Insurance Undertakings Regulations” means the European Communities (Insurance Undertakings: Accounts) Regulations 1996 (S.I. No. 23 of 1996).

PART 2

ADJUSTMENT OF NON-COMPARABLE AMOUNTS IN ACCOUNTS

4. Section 4 of the Companies (Amendment) Act 1986 is amended by substituting the following for subsection (8):

“(8) In respect of every item shown in the balance sheet, or profit and loss account, of a company, the corresponding amount for the financial year immediately preceding that to which the balance sheet or profit and loss account refers shall also be shown. Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the balance sheet or profit and loss account relates, the former amount may be adjusted, and, if the former amount is adjusted, particulars as regards the respect or respects in which the foregoing amounts are not comparable and of the adjustment shall be given in a note to the accounts.”.

5. Paragraph 44 of the Schedule to the Companies (Amendment) Act 1986 is amended by substituting the following for subparagraph (2):

“(2) In respect of every balance sheet or profit and loss account item which would, but for its inclusion in a note to the accounts, be shown in the balance sheet, or profit and loss account format set out in Part I of this Schedule and chosen pursuant to section 4 of this Act, there shall also be shown in a note to the accounts the corresponding amount for the financial year immediately preceding that to which the accounts relate. Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the accounts relate, the former amount may be adjusted, and, if the former amount is adjusted, particulars as regards the respect or respects in which the foregoing amounts are not comparable and of the adjustment shall be given in a note to the accounts.”.

6. Paragraph 4 of the Schedule to the Credit Institutions Regulations is amended by substituting the following for subparagraph (2) :

“(2) Where the corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the balance sheet or profit and loss account relates, the former amount may be adjusted, and, if the former amount is adjusted, particulars as regards the respect or respects in which the foregoing amounts are not comparable and of the adjustment shall be given in a note to the accounts.”.

7. Regulation 6 of the Insurance Undertakings Regulations is amended by substituting the following for paragraph (6) :

“(6) In respect of every item shown in the balance sheet, or profit and loss account, of an undertaking, the corresponding amount for the financial year immediately preceding that to which the balance sheet or profit and loss account refers shall also be shown. Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the balance sheet or profit and loss account relates, the former amount may be adjusted, and, if the former amount is adjusted, particulars as regards the respect or respects in which the foregoing amounts are not comparable and of the adjustment shall be given in a note to the accounts.”.

PART 3

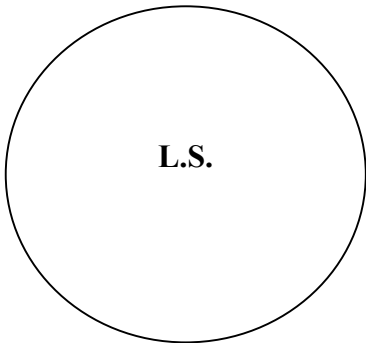
DISTRIBUTIONS BY CERTAIN INVESTMENT COMPANIES

8. Section 47 of the Companies (Amendment) Act 1983, as amended by the European Communities (International Financial Reporting Standards and Miscellaneous Amendments) Regulations 2005 (S.I. No. 116 of 2005), is amended –

- (a) in subsection (1)(a), by inserting, after “liabilities”, “to creditors”,
- (b) in subsection (2) –
 - (i) by substituting “ ‘liabilities to creditors’” for “ ‘liabilities’”,

(ii) by inserting after “any provision” , in each place where that expression occurs, “for liabilities to creditors”.

Given under my Official Seal
this 20th day of December 2005



Micheál Martin
Minister for Enterprise, Trade and
Employment

EXPLANATORY NOTE

(This note is not part of the instrument and does not purport to be a legal interpretation).

These regulations make amendments to the Companies Acts 1963-2005 consequential on changes in accounting practice for financial years beginning on or after 1 January 2005. Similar changes are also made for Credit Institutions and Insurance Companies.

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