

Basic requirements for accounting records

282. (1) For the purposes of this Part, adequate accounting records are those that are sufficient to—

- (a) correctly record and explain the transactions of the company,
- (b) enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy,
- (c) enable the directors to ensure that any financial statements of the company, required to be prepared under section 290 or 293, and any directors' report required to be prepared under section 325, comply with the requirements of this Act and, where applicable, Article 4 of the IAS Regulation, and
- (d) enable those financial statements of the company so prepared to be audited.

(2) The accounting records shall be kept on a continuous and consistent basis, which is to say, the entries in them shall be made in a timely manner and be consistent from one period to the next; if those records are not kept by making entries in a bound book but by some other means, adequate precautions shall be taken for guarding against falsification and facilitating discovery of such falsification, should it occur.

(3) Without prejudice to the generality of subsections (1) and (2), accounting records kept pursuant to section 281 shall contain—

- (a) entries from day to day of all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place,
- (b) a record of the assets and liabilities of the company,
- (c) if the company's business involves dealing in goods—
 - (i) a record of all transactions whereby goods are purchased and whereby goods are sold, showing the goods and the sellers and buyers (except buyers of goods in ordinary retail trade) in sufficient detail to enable the goods and the sellers and buyers to be identified and a record of all the invoices relating to such purchases and sales,
 - (ii) statements of stock held by the company at the end of each financial year and all records of stocktakings from which any such statement of stock has been, or is to be, prepared,

and

- (d) if the company's business involves the provision or purchase of services, a record of all transactions whereby services are provided and whereby services are purchased, to whom they were provided or from whom they were purchased (unless provided or purchased by way of ordinary retail trade) and of all the

invoices relating thereto.

(4) For the purposes of subsections (1) to (3), adequate accounting records shall be deemed to have been maintained if they comply with those subsections and explain the company's transactions and facilitate the preparation of financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and, if relevant, the group and include any information and returns referred to in section 283 (2).

(5) The adequate accounting records required by section 281 to be kept, including the information and returns referred to in this Chapter, shall be kept either—

(a) in written form in an official language of the State, or

(b) so as to enable the accounting records, including the information and returns, to be readily accessible and readily convertible into written form in an official language of the State.

(6) Subject to subsection (7), any computer (the “server computer”) that provides services to another computer, being services the provision of which to the latter is necessary so that the accounting records, and the other foregoing information and returns, stored in the latter can be accessed at all times, shall be kept in a place in the State.

(7) In any case where the accounting records are kept outside the State as mentioned in section 283 (2)—

(a) save to the extent that the Minister by regulations provides otherwise, subsection (6) shall not apply,

(b) the Minister may by regulations impose requirements on the companies so keeping their accounting records (and which companies are not subject to subsection (6) by virtue of regulations under paragraph (a)) for the purpose of securing the effective access, in accordance with this Act, at all times to the accounting records stored in the computers concerned.

(8) A holding company which has a subsidiary undertaking in relation to which the preceding requirements of this section or similar such requirements do not apply shall take the following steps.

(9) Those steps are all reasonable steps to secure that the subsidiary undertaking keeps such adequate accounting records as will enable the directors of the holding company to ensure that any group financial statements required to be prepared under this Part comply with the requirements of this Part and, where applicable, Article 4 of the IAS Regulation.