

CHAPTER 23 Transitional

Transitional provision — companies accounting by reference to Sixth Schedule to Act of 1963

407. (1) Notwithstanding anything in this Part, the directors of an existing company may, in respect of a financial year to which this section applies, opt to prepare financial statements (and approve them) in accordance with the provisions of the Act of 1963 and the Sixth Schedule thereto.

(2) This section applies to a financial year of an existing private company that satisfies the following conditions—

(a) it begins before the commencement of this section and ends thereafter, and

(b) accounts in respect of it could, but for the repeal of the prior Companies Acts, have been prepared by the directors of the company in accordance with the provisions of the Act of 1963 and the Sixth Schedule thereto (as distinct from the Companies (Amendment) Act 1986 and the other provisions of the prior Companies Acts or regulations made under the European Communities Act 1972).

(3) All obligations and rights that arise under this Act consequent on or in respect of financial statements having been approved by the directors of a company shall likewise arise in relation to financial statements approved by directors in a case falling within subsection (1).

(4) In this section—

“accounts” means accounts under the Act of 1963;

“existing private company” shall have the meaning given to it by section 15 but with the omission of all the words appearing after paragraphs (a) and (b) of that definition in section 15.