



ANALYSIS

<p>Title</p> <p>1. Short Title and commencement</p> <p style="text-align: center;">PART I</p> <p style="text-align: center;">INTERPRETATION AND APPLICATION</p> <p>2. Interpretation</p> <p>3. Meaning of "generally accepted accounting practice"</p> <p>4. Meaning of "issuer"</p> <p>5. Persons ceasing to be issuers during accounting period</p> <p>6. Certain persons not issuers</p> <p>7. Meaning of "balance date"</p> <p>8. Meaning of "financial statements"</p> <p>9. Meaning of "group financial statements"</p> <p style="text-align: center;">PART II</p> <p style="text-align: center;">FINANCIAL STATEMENTS</p> <p style="text-align: center;"><i>Preparation of Financial Statements</i></p> <p>10. Obligation to prepare financial statements</p> <p>11. Content of financial statements of reporting entities</p> <p>12. Content of financial statements of exempt companies</p> <p>13. Obligation to prepare group financial statements</p> <p>14. Content of group financial statements</p> <p>15. Financial statements of issuers and group financial statements of issuers to be audited</p> <p>16. Auditor's report on reporting entities</p> <p>17. Auditor's report on exempt companies</p> <p style="text-align: center;"><i>Registration of Financial Statements by Issuers</i></p> <p>18. Registration of financial statements by issuers</p> <p style="text-align: center;"><i>Registration of Financial Statements by Overseas Companies</i></p> <p>19. Overseas companies and certain other companies to register financial statements</p> <p>20. Fees</p>	<p>21. Application of this Part to accounting periods ending before person becomes an issuer</p> <p style="text-align: center;">PART III</p> <p style="text-align: center;">ACCOUNTING STANDARDS REVIEW BOARD</p> <p>22. Establishment of Accounting Standards Review Board</p> <p>23. Membership of Board</p> <p>24. Functions of Board</p> <p>25. Financial reporting standards may be submitted to Board for approval</p> <p>26. Consultation</p> <p>27. Approval of financial reporting standards</p> <p>28. Revocation of approval</p> <p>29. Public notice</p> <p>30. General powers</p> <p>31. Annual reports</p> <p>32. Further provisions applying to Board</p> <p>33. Disallowance of determinations by House of Representatives</p> <p>34. Certificates of Board</p> <p>35. Amendment to Official Information Act 1982</p> <p style="text-align: center;">PART IV</p> <p style="text-align: center;">MISCELLANEOUS</p> <p>36. Offences by directors of reporting entities</p> <p>37. Offences by directors of exempt companies</p> <p>38. Offences by directors of issuers</p> <p>39. Offences by directors of overseas companies and subsidiaries of overseas companies</p> <p>40. Defences</p> <p>41. False statements</p> <p>42. Time in which information may be laid</p> <p>43. Administration of Act</p> <p>44. Transitional provisions</p> <p>45. Repeals and revocations</p> <p>46. Amendment to Summary Proceedings Act 1957</p> <p>47. Amendment to Securities Act 1978</p>
---	--

48. Amendments to Public Finance Act
1989
3AA. Meaning of 'generally accepted practice'

49. Amendments to other Acts Schedules

1993, No. 106

An Act to—

- (a) Require issuers of securities to the public to file financial statements that comply with generally accepted accounting practice and give a true and fair view of their affairs; and**
- (b) Prescribe requirements for financial reporting by other entities; and**
- (c) Establish an Accounting Standards Review Board and define its functions and powers; and**
- (d) Give legal force to accounting standards approved by the Board; and**
- (e) Provide for related matters** *[28 September 1993]*

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Financial Reporting Act 1993.

(2) Except as provided in subsection (3) of this section, this Act shall come into force on the date on which it receives the Royal assent.

(3) Part II (except subsections (2) to (5) of section 12) and Part IV (except section 43) of, and the Second Schedule to, this Act shall come into force on the 1st day of July 1994.

PART I

INTERPRETATION AND APPLICATION

2. Interpretation—(1) In this Act, unless the context otherwise requires,—

“Accounting period”, in relation to an entity, means a year ending on a balance date of the entity and, if as a result of the date of the formation or incorporation of the entity or a change of the balance date of the entity, the period ending on that date is longer or shorter than a year, that longer or shorter period is an accounting period:

“Applicable financial reporting standard”, in relation to a reporting entity or a group and to an accounting period or to an interim accounting period of a reporting entity, means an approved financial reporting standard that applies to that reporting entity or to that group and to that accounting period

or that interim accounting period in accordance with a determination of the Board for the time being in force or any election made under section 27 of this Act:

“Approved financial reporting standard” means a financial reporting standard approved by the Board under section 27 of this Act; and includes an amendment to an approved financial reporting standard that is approved by the Board under that section:

“Balance date” has the meaning given to it by section 7 of this Act:

“Board” means the Accounting Standards Review Board established by this Act:

“Chief Executive” has the same meaning as in section 2 of the Public Finance Act 1989:

“Company” has the same meaning as in—

(a) Section 2 of the Companies Act 1955; or

(b) Section 2 of the Companies Act 1993,—

as the case may be, and includes an overseas company:

“Crown” has the same meaning as in section 2 of the Public Finance Act 1989:

“Crown entity” has the same meaning as in section 2 of the Public Finance Act 1989:

“Department” has the same meaning as in section 2 of the Public Finance Act 1989:

“Director” means,—

(a) In relation to a company, a person occupying the position of a director of the company by whatever name called:

(b) In relation to a partnership (other than a special partnership), a partner:

(c) In relation to a special partnership, any general partner:

(d) In relation to a body corporate or unincorporate, other than a company or a partnership or a special partnership, a person occupying a position in the body that is comparable with that of a director of a company:

(e) In relation to a unit trust (within the meaning of section 2 of the Unit Trusts Act 1960), every trustee and the manager of the unit trust:

(f) In relation to any other person, that person:

“Entity” means—

(a) A company; or

(b) An issuer:

“Equity security” means—

(a) An interest in or right to a share in the share capital of a company; or

(b) An interest in or right to participate in any distribution of profits or surplus assets of a company;—

and includes a preference share, company stock, and any renewal or variation of the terms and conditions of any existing equity security:

“Exempt company” means a company, other than an overseas company or an issuer, where, in the accounting period for which financial statements are required,—

(a) The value of the total assets of the company did not exceed \$250,000 or such other amount as is, from time to time, prescribed by Order in Council for the purposes of this paragraph; and

(b) The turnover of the company did not exceed \$1,000,000 or such other amount as is, from time to time, prescribed by Order in Council for the purposes of this paragraph; and

(c) The company was not a subsidiary of another body corporate or association of persons; and

(d) The company did not have any subsidiaries:

“Financial statements” has the meaning given to it by section 8 of this Act:

“Generally accepted accounting practice” has the meaning given to it by section 3 of this Act:

“Group” means a group comprising a reporting entity and its subsidiaries:

“Group financial statements” has the meaning given to it by section 9 of this Act:

“Interim accounting period”, in relation to a reporting entity, means a period ending on a date other than the balance date of the reporting entity:

“Issuer” has the meaning given to it by section 4 of this Act:

“Local authority” means a body that is a local authority for the purposes of Part I of the Local Authorities Loans Act 1956:

“Minister” means the Minister of Justice:

“Office of Parliament” has the same meaning as in section 2 of the Public Finance Act 1989:

“Overseas company” means a company incorporated outside New Zealand that carries on business in New Zealand within the meaning of section 332 of the Companies Act 1993:

“Registrar” means—

(a) In relation to an issuer that is—

- (i) A society; or
- (ii) A branch of a society; or
- (iii) A credit union—

registered or deemed to be registered under the Friendly Societies and Credit Unions Act 1982, the Registrar within the meaning of section 2 of that Act; and

(b) In relation to any other entity, the Registrar of Companies, the Deputy Registrar of Companies, a District Registrar of Companies, and an Assistant Registrar of Companies:

“Reporting entity” means—

(a) An issuer; or

(b) A company, other than an exempt company:

“Security” means an interest or right to participate in any capital, assets, earnings, royalties, or other property of any person; and includes—

(a) An interest in or right to be paid money that is deposited with, lent to, or otherwise owing by any person (whether or not the interest or right is secured by a charge over property); and

(b) A renewal or variation of the terms or conditions of an existing security:

“Subsidiary” means a subsidiary within the meaning of section 158 of the Companies Act 1955 or sections 5 to 8 of the Companies Act 1993, as the case may be; and includes any company or body corporate or association of persons that is classified as a subsidiary in any applicable financial reporting standard:

“Turnover” means the total gross revenues (exclusive of any tax required to be collected) received or receivable by an entity in an accounting period as a result of trading by that entity:

“Working day” means a day of the week other than—

(a) Saturday, Sunday, Good Friday, Easter Monday, Anzac Day, the Sovereign’s Birthday, Labour Day, and Waitangi Day; and

(b) A day in the period commencing with the 25th day of December in any year and ending with the 2nd day of January in the following year; and

(c) If the 1st day of January in any year falls on a Friday, the following Monday; and

(d) If the 1st day of January in any year falls on a Saturday or a Sunday, the following Monday and Tuesday.

(2) Where the last day of the period prescribed under section 18 or section 19 of this Act for delivering financial statements or group financial statements to the appropriate Registrar falls on the anniversary of the province in which,—

(a) In the case of financial statements that are required to be delivered to the Registrar of Friendly Societies and Credit Unions, the office of the Registrar of Friendly Societies and Credit Unions is situated; or

(b) In the case of any other reporting entity, the office of the appropriate Deputy Registrar of Companies or District Registrar of Companies or Assistant Registrar of Companies is situated—

the financial statements or group financial statements may be delivered on the next working day.

3. Meaning of “generally accepted accounting practice”—For the purposes of this Act, financial statements and group financial statements comply with generally accepted accounting practice only if those statements comply with—

(a) Applicable financial reporting standards; and

(b) In relation to matters for which no provision is made in applicable financial reporting standards and that are not subject to any applicable rule of law, accounting policies that—

(i) Are appropriate to the circumstances of the reporting entity; and

(ii) Have authoritative support within the accounting profession in New Zealand.

4. Meaning of “issuer”—(1) In this Act, “issuer” means—

(a) Every person who has, whether before or after the commencement of this Act, allotted securities pursuant to—

(i) An offer required to be made, or which but for an exemption granted by the Securities Commission pursuant to section 5 of the Securities Act 1978 would have been required to have been made, by means of

a registered prospectus in accordance with the Securities Act 1978; or

(ii) An offer contained in a prospectus required to be registered under the Companies Act 1955—whether or not the securities allotted are securities of the same type as the securities offered:

- (b) An authorised life insurance company (within the meaning of section 2 (1) of the Securities Act 1978) that has, whether before or after the commencement of this Act, issued any life insurance policy pursuant to an offer of securities to the public within the meaning of that Act:
- (c) Every unit trust (within the meaning of section 2 of the Unit Trusts Act 1960) in which securities have been allotted, whether before or after the commencement of this Act, pursuant to an offer of securities to the public within the meaning of the Securities Act 1978:
- (d) Every person who is a party to a listing agreement with a stock exchange in New Zealand and who has issued securities which are quoted on such an exchange.

(2) Every registered bank (within the meaning of section 2 (1) of the Reserve Bank of New Zealand Act 1989) that has allotted securities to the public within the meaning of the Securities Act 1978 is an issuer for the purposes of this Act.

(3) In this section references to securities that have been issued or allotted are to be taken as references to securities that have not been cancelled, redeemed, forfeited, or in respect of which obligations owing under them have not been discharged.

(4) Subsection (2) of this section shall come into force on a date to be appointed by the Governor-General by Order in Council.

5. Persons ceasing to be issuers during accounting period—Where a person ceases to be an issuer during an accounting period, that person shall be deemed to continue to be an issuer in relation to that accounting period for the purposes of this Act.

6. Certain persons not issuers—None of the following is an issuer for the purposes of this Act:

- (a) The Crown:
- (b) A local authority:
- (c) The Board of Trustees of the National Provident Fund continued in existence under section 12 of the National Provident Fund Restructuring Act 1990:

- (d) The Reserve Bank of New Zealand continued in existence under section 5 of the Reserve Bank of New Zealand Act 1989:
- (e) The trustees of a superannuation scheme that is registered under the Superannuation Schemes Act 1989:
- (f) A company within the meaning of section 2 (1) of the Companies Act 1955 that does not have more than 25 members and that would, but for this section, be an issuer by reason only of the allotment of equity securities:
- (g) A company within the meaning of section 2 (1) of the Companies Act 1993 that does not have more than 25 shareholders and that would, but for this section, be an issuer by reason only of the allotment of equity securities.

7. Meaning of “balance date”—(1) In this Act, the term “balance date” in relation to an entity, means the close of the 31st day of March or of such other date as the directors of the entity adopt as the entity’s balance date.

(2) Subject to subsections (3) and (4) of this section, an entity must have a balance date in each calendar year.

(3) An entity need not have a balance date in the calendar year in which it is formed or incorporated if its first balance date is in the following calendar year and is not later than 15 months after the date of its formation or incorporation.

(4) If an entity changes its balance date, it need not have a balance date in a calendar year if—

- (a) The period between any 2 balance dates does not exceed 15 months; and
- (b) The Registrar approves the change of balance date before it is made.

(5) The Registrar may approve a change of balance date with or without conditions.

(6) If an entity changes its balance date, the period between any 2 balance dates must not exceed 15 months.

(7) The board of a reporting entity (not being an issuer) that is a company must ensure that, unless in the board’s opinion there are good reasons against it, the balance date of each subsidiary of the company is the same as the balance date of the company.

(8) The board of an issuer must ensure that the balance date of the issuer is the same as the balance date of its subsidiaries.

(9) Subject to subsection (11) of this section, the Registrar may, by notice in writing and subject to such conditions as the

Registrar thinks fit, exempt an issuer from subsection (8) of this section either completely or in relation to a subsidiary or a class of subsidiaries.

(10) The existence of the exemption must be stated in a note to the consolidated balance sheet for a group.

(11) If the balance date of a subsidiary of a reporting entity is not the same as that of the reporting entity, the balance date of the subsidiary for the purposes of any particular group financial statements must be that preceding the balance date of the reporting entity.

8. Meaning of “financial statements”—(1) In this Act, the term “financial statements”, in relation to an entity and a balance date, means—

(a) A balance sheet for the entity as at the balance date; and

(b) In the case of—

(i) An entity trading for profit, a profit and loss statement for the entity in relation to the accounting period ending at the balance date; and

(ii) An entity not trading for profit, an income and expenditure statement for the entity in relation to the accounting period ending at the balance date; and

(iii) An entity that is a building society within the meaning of the Building Societies Act 1965, a revenue and appropriation account for the entity in relation to the accounting period ending at the balance date; and

(c) If, in the case of a reporting entity, an applicable financial reporting standard requires a statement of cash flows for the reporting entity, a statement of cash flows for the reporting entity in relation to the accounting period ending on the balance date,—

together with any notes or documents giving information relating to the balance sheet, statements, or account.

(2) In this Act, the term “financial statements”, in relation to a reporting entity that is an overseas company, includes financial statements referred to in subsection (1) of this section for its New Zealand business.

(3) Where the Registrar notifies an overseas company that he or she is satisfied that the financial statements of the overseas company that comply with subsection (1) of this section comply with subsection (2) of this section, those financial statements shall be taken to comply with subsection (2) of this section.

9. Meaning of “group financial statements”—(1) In this Act, the term “group financial statements”, in relation to a group and a balance date, means—

- (a) A consolidated balance sheet for the group as at that balance date; and
- (b) Where a member of the group trades for profit, a consolidated profit and loss statement for the group in relation to the accounting period ending on that balance date; and
- (c) Where no member of the group trades for profit, a consolidated income and expenditure statement for the group in relation to the accounting period ending on that balance date; and
- (d) If an applicable financial reporting standard requires a consolidated statement of cash flows for the group, a consolidated statement of cash flows for the group in relation to the accounting period ending on that balance date,—

together with any notes or documents giving information relating to the balance sheet or statement.

(2) In this Act, the term “financial statements”, in relation to a group that comprises a reporting entity that is an overseas company and its subsidiaries, includes financial statements referred to in subsection (1) of this section for the group’s New Zealand business.

(3) Where the Registrar notifies an overseas company that he or she is satisfied that the financial statements of the group that comply with subsection (1) of this section comply with subsection (2) of this section, those financial statements shall be taken to comply with subsection (2) of this section.

PART II

FINANCIAL STATEMENTS

Preparation of Financial Statements

10. Obligation to prepare financial statements—The directors of every entity must ensure that, within 5 months after the balance date of the entity or, where the entity is required by any other Act to prepare financial statements or accounts within a shorter period after the end of its financial year or balance date, within that period, financial statements that comply, in the case of a reporting entity, with section 11 of this Act and, in the case of an exempt company, with section 12 of this Act are—

- (a) Completed in relation to the entity and that balance date; and
- (b) Dated and signed on behalf of the directors by 2 directors of the entity, or, if the entity has only 1 director, by that director.

11. Content of financial statements of reporting entities—(1) The financial statements of a reporting entity must comply with generally accepted accounting practice.

(2) If, in complying with generally accepted accounting practice, the financial statements do not give a true and fair view of the matters to which they relate, the directors of the reporting entity must add such information and explanations as will give a true and fair view of those matters.

(3) Where the Registrar notifies a reporting entity that is an overseas company that he or she is satisfied that—

- (a) The financial statements of the company comply with the requirements of the law in force in the country where the company is incorporated; and
- (b) Those requirements are substantially the same as those of this Act,—

those financial statements shall be taken to comply with this section and every applicable financial reporting standard.

12. Content of financial statements of exempt companies—(1) The financial statements of an exempt company must be in the form and contain the particulars and comply with the directions as to the preparation of those statements prescribed by the Governor-General by Order in Council.

(2) The Governor-General may from time to time, on the recommendation of the Minister of Justice, by Order in Council, prescribe—

- (a) The form of; and
- (b) The particulars to be contained in; and
- (c) Directions to be complied with in the preparation of—
financial statements of exempt companies.

(3) Before making any recommendation for the purposes of subsection (2) of this section, the Minister shall do everything reasonably possible to advise such organisations as, in his or her opinion, have a professional interest in the terms of any order made under that subsection of the proposed terms of the order, and shall give those organisations a reasonable opportunity to make submissions to him or her.

(4) Failure to comply with subsection (3) of this section does not affect the validity of any order made under subsection (2) of this section.

(5) Every order made under subsection (2) of this section shall commence to apply in relation to accounting periods commencing on or after the date on which the order takes effect.

13. Obligation to prepare group financial statements—

(1) Subject to subsection (2) of this section, the directors of a reporting entity that has, on the balance date of the entity, one or more subsidiaries, must, in addition to complying with section 10 of this Act, ensure that, within 5 months after that balance date or, where the entity is required by any other Act to prepare group financial statements or group accounts within a shorter period after the end of its financial year or balance date, within that period, group financial statements that comply with section 14 of this Act are—

- (a) Completed in relation to that group and that balance date; and
- (b) Dated and signed on behalf of the directors by 2 directors of the entity, or, if the entity has only 1 director, by that director.

(2) Group financial statements are not required in relation to a reporting entity that is a company and a balance date if the only shareholders of the company at that balance date comprise—

- (a) A body corporate that is incorporated in New Zealand or a nominee of such a body corporate; or
- (b) A body corporate that is incorporated in New Zealand or a nominee of such a body corporate and a subsidiary of such a body corporate or a nominee of such a subsidiary.

14. Content of group financial statements—(1) The financial statements of a group must comply with generally accepted accounting practice.

(2) If, in complying with generally accepted accounting practice, the group financial statements do not give a true and fair view of the matters to which they relate, the directors of the reporting entity must add such information and explanations as will give a true and fair view of those matters.

(3) In any case where a subsidiary became a subsidiary of a reporting entity during the accounting period to which the group financial statements relate, the consolidated profit and

loss statement or the consolidated income and expenditure statement for the group, must, unless any applicable financial reporting standard otherwise requires, relate to the profit or loss of the subsidiary for each part of that accounting period during which it was such a subsidiary, and not to any other part of that accounting period.

(4) Subject to subsection (3) of this section, where the balance date of a subsidiary of a reporting entity is not the same as that of the reporting entity, the group financial statements must—

(a) If the balance date of the subsidiary does not precede that of the reporting entity by more than 3 months, incorporate the financial statements of the subsidiary for the accounting period ending on that date, or incorporate interim financial statements of the subsidiary completed in respect of a period that is the same as the accounting period of the reporting entity; or

(b) In any other case, incorporate interim financial statements of the subsidiary completed in respect of a period that is the same as the accounting period of the reporting entity.

(5) Where the Registrar of Companies notifies a reporting entity that is an overseas company that he or she is satisfied that—

(a) The group financial statements of the group that comprises the reporting entity and its subsidiaries comply with the requirements of the law in force in the country where the company is incorporated; and

(b) Those requirements are substantially the same as those of this Act,—

those financial statements shall be taken to comply with this section and every applicable financial reporting standard.

(6) Subject to subsection (3) of this section, group financial statements must, except where otherwise required by an applicable financial reporting standard, incorporate the financial statements of every subsidiary of the reporting entity.

15. Financial statements of issuers and group financial statements of issuers to be audited—(1) The directors of an issuer must ensure that the financial statements of the issuer and, if the issuer is required to complete group financial statements, the group financial statements are audited.

(2) The financial statements and any group financial statements must be audited,—

- (a) If the issuer is a company, other than an overseas company, by an auditor appointed in accordance with the Companies Act 1955 or the Companies Act 1993, as the case may be; or
- (b) If the issuer is an overseas company, by a person who is qualified for appointment as auditor in accordance with section 199 of the Companies Act 1993; or
- (c) If the issuer is incorporated or registered under any other Act that provides for the appointment of an auditor, by an auditor appointed under that Act; or
- (d) If the issuer is not incorporated or registered under an Act that provides for the appointment of an auditor, by an auditor appointed in accordance with the provisions of the Companies Act 1993 which shall, for that purpose, apply with such modifications as may be necessary.

16. Auditor's report on reporting entities—(1) Where, pursuant to section 15 of this Act or the Companies Act 1955 or the Companies Act 1993, the financial statements of a reporting entity or group financial statements are required to be audited, the auditor's report on the financial statements or group financial statements must state—

- (a) The work done by the auditor; and
- (b) The scope and limitations of the audit; and
- (c) The existence of any relationship (other than that of auditor) which the auditor has with, or any interests which the auditor has in, the reporting entity or any of its subsidiaries; and
- (d) Whether the auditor has obtained all information and explanations that he or she has required; and
- (e) Whether, in the auditor's opinion, as far as appears from an examination of them, proper accounting records have been kept by the reporting entity; and
- (f) Whether, in the auditor's opinion, the financial statements and any group financial statements comply with generally accepted accounting practice, and if they do not, the respects in which they fail to comply; and
- (g) Whether, in the auditor's opinion and having regard to any information or explanations that may have been added by the reporting entity pursuant to section 11 (2) or section 14 (2) of this Act, the financial statements and any group financial statements give a true and fair view of the matters to which they relate,

and, if they do not, the respects in which they fail to give such a view.

(2) Where the auditor's report indicates that the requirements of this Act have not been complied with, the auditor shall, within 7 working days after completing the report, send a copy of the report and a copy of the financial statements and any group financial statements to which it relates, to the Registrar who shall, in turn, forthwith send copies of the report and statements to the Board and the Securities Commission.

17. Auditor's report on exempt companies—Where, pursuant to the Companies Act 1955 or the Companies Act 1993, the financial statements of an exempt company are required to be audited, the auditor's report on the financial statements must state—

- (a) The work done by the auditor; and
- (b) The scope and limitations of the audit; and
- (c) The existence of any relationship (other than that of auditor) which the auditor has with, or any interests which the auditor has in, the exempt company; and
- (d) Whether the auditor has obtained all information and explanations that he or she has required; and
- (e) Whether, in the auditor's opinion, as far as appears from an examination of them, proper accounting records have been kept by the exempt company; and
- (f) Whether the financial statements comply with section 12 of this Act, and if they do not, the respects in which they fail to comply.

Registration of Financial Statements by Issuers

18. Registration of financial statements by issuers—
(1) The directors of an issuer must ensure that, within 20 working days after the financial statements of the issuer and any group financial statements are required to be signed, copies of those statements together with a copy of the auditor's report on those statements are delivered to the Registrar for registration.

(2) The issuer must, at the same time, pay to the Registrar the prescribed registration fee.

(3) The copies delivered to the Registrar pursuant to subsection (1) of this section must be certified to be correct copies by 2 directors of the issuer, or, where the issuer has only one director, by that director.

Registration of Financial Statements by Overseas Companies

19. Overseas companies and certain other companies to register financial statements—(1) This section applies to any company, other than an issuer,—

- (a) That is an overseas company; or
- (b) That is a subsidiary of a company or body corporate incorporated outside New Zealand; or
- (c) In which shares that in aggregate carry the right to exercise or control the exercise of 25 percent or more of the voting power at a meeting of the company are held by—
 - (i) A subsidiary of a company or body corporate incorporated outside New Zealand or a subsidiary of that subsidiary; or
 - (ii) A company or body corporate incorporated outside New Zealand; or
 - (iii) A person not ordinarily resident in New Zealand.

(2) The directors of every company to which this section applies must ensure that, within 20 working days after the financial statements of the company and any group financial statements in relation to a group comprising that company and its subsidiaries are required to be signed, copies of those statements, together with a copy of the auditor's report on those statements, are delivered to the Registrar for registration.

(3) The company must, at the same time, pay to the Registrar, the prescribed registration fee.

(4) For the purposes of subsection (1) of this section, a person is ordinarily resident in New Zealand if that person—

- (a) Is domiciled in New Zealand; or
- (b) Is living in New Zealand and the place where that person usually lives is, and has been for the immediately preceding 12 months, in New Zealand, whether or not that person has on occasions been away from New Zealand during that period.

(5) For the purposes of subsection (1) of this section, a subsidiary does not include any company or body corporate or association of persons that is classified as a subsidiary in any applicable financial reporting standard.

20. Fees—The Governor-General may from time to time, by Order in Council,—

- (a) Prescribe the fees payable to the Registrar under section 18 (2) or section 19 (3) of this Act:

- (b) Prescribe the amounts payable to the Registrar by way of penalty for failure to deliver financial statements or group financial statements and the auditor's report on those statements within the time prescribed by section 18 (1) or section 19 (2) of this Act.

21. Application of this Part to accounting periods ending before person becomes an issuer—Nothing in this Part of this Act requires the directors of an issuer, not being a company, to ensure the completion of financial statements and any group financial statements and the registration of those financial statements in relation to an accounting period that ended before the accounting period in which that person became an issuer.

PART III

ACCOUNTING STANDARDS REVIEW BOARD

22. Establishment of Accounting Standards Review Board—(1) There is hereby established a Board to be called the Accounting Standards Review Board.

(2) The Board shall be a body corporate with perpetual succession and a common seal and shall be capable of acquiring, holding, and disposing of real and personal property, of entering into contracts, of suing and being sued, and of doing and suffering all such other acts and things as bodies corporate may lawfully do and suffer.

(3) The Board shall be a Crown entity for the purposes of the Public Finance Act 1989.

23. Membership of Board—(1) The Board shall consist of not less than 4 and not more than 7 members appointed from time to time by the Governor-General on the recommendation of the Minister.

(2) One member shall be appointed as Chairperson and another shall be appointed as Deputy Chairperson.

(3) The Minister shall not recommend a person for appointment as a member of the Board unless, in the opinion of the Minister, that person is qualified for appointment by reason of his or her knowledge of, or experience in, business, accounting, finance, economics, or law.

24. Functions of Board—The Board has the following functions:

- (a) To review and, if it thinks fit, approve financial reporting standards submitted to it for approval for the

purposes of this Act or for the purposes of the Public Finance Act 1989:

- (b) To review, and, if it thinks fit, approve amendments to any approved financial reporting standards:
- (c) To make recommendations in relation to the submission to it for approval of financial reporting standards or amendments to approved financial reporting standards:
- (d) To give directions as to the accounting policies that have authoritative support within the accounting profession in New Zealand:
- (e) To encourage the development of financial reporting standards, including financial reporting standards for different classes of reporting entity:
- (f) To liaise with the Accounting Standards Board established by the Securities Commission Act 1989 of Australia with a view to harmonising New Zealand and Australian financial reporting standards.

25. Financial reporting standards may be submitted to Board for approval—The New Zealand Society of Accountants and any other organisation or person may, from time to time, submit—

- (a) Financial reporting standards; and
 - (b) Amendments to any approved financial reporting standards—
- to the Board for approval.

26. Consultation—(1) The Board shall not approve a financial reporting standard or an amendment to an approved financial reporting standard unless—

- (a) The standard or the amendment is based on a standard or an amendment adopted by the New Zealand Society of Accountants or the organisation or person by whom it was submitted to the Board and the Board is satisfied that, before it was so adopted, the Society or organisation or person, as the case may be, took reasonable steps to consult with persons or organisations or representatives of persons or organisations who, in the opinion of the Society or organisation or person, would be affected by the adoption of the standard or the amendment; or
- (b) The standard or the amendment is based on a standard or amendment that was not adopted by the New Zealand Society of Accountants or organisation or

person by whom it was submitted to the Board and the Board is satisfied that, before the standard or amendment was submitted to the Board, the Society or organisation or person, as the case may be, took reasonable steps to consult with persons or organisations who, in the opinion of the Society or organisation or person, would be affected by the approval of the standard or the amendment by the Board.

(2) Any failure to comply with subsection (1) of this section shall not affect the validity of the approval by the Board of the standard or the amendment.

27. Approval of financial reporting standards—

(1) Approved financial reporting standards may be expressed to apply in relation to—

- (a) All reporting entities or groups; or
- (b) Specified reporting entities or groups; or
- (c) The Crown; or
- (d) All departments or Offices of Parliament or Crown entities; or
- (e) Specified departments or Offices of Parliament or Crown entities; or
- (f) Accounting periods or interim accounting periods.

(2) Approved financial reporting standards may—

- (a) Have general or specific application;
- (b) Differ according to differences in time or circumstance.

(3) An approved financial reporting standard may classify a company as a subsidiary of another company where, although the company is not a subsidiary of that other company for the purposes of section 5 of the Companies Act 1993 or section 158 of the Companies Act 1955, the company is, in effect, controlled by that other company (irrespective of whether it is taken to be controlled by that other company for the purposes of section 5 of the Companies Act 1993 or section 158 of the Companies Act 1955), so as to render it, in substance, a subsidiary of that other company.

(4) In subsection (3) of this section, the expression “company” includes an association of persons whether incorporated or not.

(5) An approved financial reporting standard or an amendment to an approved financial reporting standard take effect on the 28th day after the date of their publication in the *Gazette*.

(6) Subject to subsection (7) of this section, an approved financial reporting standard or an amendment to an approved financial reporting standard shall commence to apply in relation to such accounting periods or interim accounting periods as the Board specifies in its approval, which periods—

- (a) May be accounting periods or interim accounting periods that have commenced or that commence before the date on which the financial reporting standard or the amendment to the approved financial reporting standard takes effect; but
- (b) Must not be accounting periods or interim accounting periods that have ended or that end before the approved financial reporting standard or the amendment to the approved financial reporting standard takes effect.

(7) Where—

- (a) The directors of a reporting entity; or
- (b) The Minister of Finance and the Secretary to the Treasury, in relation to financial statements for the Crown required to be prepared pursuant to the Public Finance Act 1989; or
- (c) The Chief Executive of a department; or
- (d) The Chief Executive of an Office of Parliament; or
- (e) The Chairperson and the Chief Executive of a Crown entity or, where no Chairperson exists, the Chief Executive,—

as the case may be, elect or elects in writing that an approved financial reporting standard, which would not otherwise apply to a particular accounting period or interim accounting period, shall apply to that accounting period or interim accounting period, the approved financial reporting standard shall apply accordingly.

28. Revocation of approval—(1) The Board may revoke the approval of any approved financial reporting standard.

(2) Any such revocation shall take effect on the 28th day after the date of the publication of the revocation in the *Gazette*.

(3) Subject to subsection (4) of this section, the revocation of the approval of an approved financial reporting standard shall apply in relation to such accounting periods or interim accounting periods as the Board specifies, which periods—

- (a) May be accounting periods or interim accounting periods that have commenced or that commence before the date on which the revocation takes effect; but

(b) Must not be accounting periods or interim accounting periods that have ended or that end before the revocation takes effect.

(4) Where—

(a) The directors of a reporting entity; or

(b) The Minister of Finance and the Secretary to the Treasury, in relation to financial statements for the Crown required to be prepared pursuant to the Public Finance Act 1989; or

(c) The Chief Executive of a department; or

(d) The Chief Executive of an Office of Parliament; or

(e) The Chairperson and the Chief Executive of a Crown entity or, where no Chairperson exists, the Chief Executive,—

as the case may be, elect or elects in writing that the revocation of an approved financial reporting standard, which does not apply to a particular accounting period or interim accounting period, shall apply in relation to that accounting period or interim accounting period, the revocation shall apply accordingly.

29. Public notice—The Board must give notice of—

(a) The approval of a financial reporting standard and of any amendment to an approved financial reporting standard; and

(b) The revocation of any approval of a financial reporting standard and of any amendment to an approved financial reporting standard—

in the *Gazette* and in such publications as it considers appropriate for that purpose.

30. General powers—(1) The Board has such powers as are reasonably necessary to enable it to carry out its functions.

(2) Without limiting subsection (1) of this section, the Board may consult such persons or organisations as the Board thinks fit to assist the Board in deciding whether or not to—

(a) Approve a financial reporting standard; or

(b) Approve any amendment to an approved financial reporting standard; or

(c) Revoke the approval of any approved financial reporting standard.

31. Annual reports—(1) As soon as practicable after the end of each year ending with the 30th day of June, the Board

shall furnish to the Minister a report of its operations during that year.

(2) The Minister shall lay a copy of the report before the House of Representatives in accordance with section 44A of the Public Finance Act 1989.

32. Further provisions applying to Board—The provisions set out in the First Schedule to this Act apply in respect of the Board.

33. Disallowance of determinations by House of Representatives—The Regulations (Disallowance) Act 1989 shall apply to every determination of the Board—

- (a) Approving a financial reporting standard and any amendment to an approved financial reporting standard; or
- (b) Revoking an approval of an approved financial reporting standard—

as if the determination was a regulation within the meaning of section 2 of that Act.

34. Certificates of Board—(1) A certificate signed by the Chairperson or Deputy Chairperson of the Board as to—

- (a) The making of a determination approving a financial reporting standard or any amendment to an approved financial reporting standard; or
- (b) The making of a determination revoking the approval of an approved financial reporting standard; or
- (c) The accounting period or interim accounting period in relation to which an approved financial reporting standard shall commence to apply; or
- (d) The accounting period or interim accounting period in relation to which an approved financial reporting standard ceases to apply; or
- (e) The accounting period or interim accounting period in relation to which an approved financial reporting standard was in force—

shall, in the absence of evidence to the contrary, be sufficient evidence of the matters stated in the certificate.

(2) All Courts and all persons acting judicially shall take judicial notice of the signature of the Chairperson or Deputy Chairperson appearing on a certificate given under subsection (1) of this section.

35. Amendment to Official Information Act 1982—The First Schedule to the Official Information Act 1982 (as substituted by section 23 (1) of the Official Information Amendment Act 1987) is hereby amended by inserting, in its appropriate alphabetical order, the following item:

“Accounting Standards Review Board”.

PART IV

MISCELLANEOUS

36. Offences by directors of reporting entities—

(1) Where—

- (a) Financial statements in relation to a reporting entity are not completed and signed within the time specified in section 10 of this Act; or
- (b) Group financial statements in relation to a group comprising a reporting entity and its subsidiaries are not completed and signed within the time specified in section 13 of this Act,—

every director of the reporting entity commits an offence and is liable on summary conviction to a fine not exceeding \$100,000.

(2) Where the financial statements of a reporting entity or group financial statements in relation to a group comprising a reporting entity and its subsidiaries fail to comply with an applicable financial reporting standard, every director of the reporting entity commits an offence and is liable on summary conviction to a fine not exceeding \$100,000.

37. Offences by directors of exempt companies—

Where—

- (a) Financial statements in relation to an exempt company are not completed and signed within the time specified in section 10 of this Act; or
- (b) Financial statements in relation to an exempt company do not comply with section 12 of this Act,—

every director of the exempt company commits an offence and is liable on summary conviction to a fine not exceeding \$10,000.

38. Offences by directors of issuers—Where—

- (a) The financial statements of an issuer and any group financial statements in relation to a group comprising an issuer and its subsidiaries are not audited in accordance with section 15 of this Act; or
- (b) A copy of the financial statements of an issuer or group financial statements together with the auditor's

report on those statements are not delivered to the Registrar in accordance with section 18 (1) of this Act; or

(c) The copies delivered to the Registrar under subsection (1) of section 18 of this Act are not certified in accordance with subsection (3) of that section,—
every director of the issuer commits an offence and is liable on summary conviction to a fine not exceeding \$100,000.

39. Offences by directors of overseas companies and subsidiaries of overseas companies—Where a copy of the financial statements of a company to which section 19 of this Act applies and any group financial statements relating to a group comprising that company and its subsidiaries, and a copy of the auditor's report on those statements are not delivered to the Registrar in accordance with subsection (2) of that section, every director of the company commits an offence and is liable on summary conviction to a fine not exceeding \$100,000.

40. Defences—It is a defence to a director of an entity charged with an offence under any of sections 36 to 39 of this Act if the director proves that—

- (a) The directors of the entity took all reasonable and proper steps to ensure that the applicable requirement of this Act would be complied with; or
- (b) He or she took all reasonable and proper steps to ensure that the directors of the entity complied with the applicable requirement; or
- (c) In the circumstances he or she could not reasonably have been expected to take steps to ensure that the directors of the entity complied with the applicable requirement.

41. False statements—(1) Every person who, with respect to a document required by this Act,—

- (a) Makes, or authorises the making of, a statement in the document that is false or misleading in a material particular knowing the statement to be false or misleading; or
- (b) Omits, or authorises the omission, from the document of any matter knowing that the omission makes the document false or misleading in a material particular—

commits an offence and is liable on conviction on indictment to imprisonment for a term not exceeding 5 years or to a fine not exceeding \$200,000.

(2) For the purposes of this section, a person who voted in favour of the making of a statement at a meeting of directors or members or shareholders of an entity is deemed to have authorised the making of the statement.

42. Time in which information may be laid—Notwithstanding anything to the contrary in the Summary Proceedings Act 1957, an information for an offence against any of sections 36 to 39 of this Act may be laid at any time within 3 years after the date of the offence.

43. Administration of Act—The Registrar is charged with the administration of this Act.

44. Transitional provisions—(1) Nothing in this Act shall apply in relation to an accounting period or an interim accounting period of an entity that is an industrial and provident society that ended before the 1st day of July 1994 and, in relation to any such period, the Industrial and Provident Societies Act 1908, as in force immediately before that date, shall continue to apply as if this Act had not been passed.

(2) Nothing in this Act shall apply in relation to an accounting period or an interim accounting period of an entity that is an incorporated society that ended before the 1st day of July 1994 and, in relation to any such period, the Incorporated Societies Act 1908, as in force immediately before that date, shall continue to apply as if this Act had not been passed.

(3) Nothing in this Act shall apply in relation to an accounting period or an interim accounting period of an entity that is a company (within the meaning of section 2 of the Companies Act 1955) that ended before the 1st day of July 1994 and, in relation to any such period, the Companies Act 1955, as in force immediately before that date, shall continue to apply as if this Act had not been passed.

(4) Nothing in this Act shall apply in relation to an accounting period or interim accounting period of an entity that is a unit trust (within the meaning of section 2 of the Unit Trusts Act 1960) that ended before the 1st day of July 1994 and, in relation to any such period, the Unit Trusts Act 1960, as in force immediately before that date, shall continue to apply as if this Act had not been passed.

(5) Nothing in this Act shall apply in relation to an accounting period or an interim accounting period of an entity that is a building society (within the meaning of section 2 of the Building Societies Act 1965) that ended before the 1st day of July 1994 and, in relation to any such period, the Building Societies Act 1965, as in force immediately before that date, shall continue to apply as if this Act had not been passed.

(6) Nothing in this Act shall apply in relation to an accounting period or interim accounting period of an entity that is a credit union or a society registered under Part II of the Friendly Societies and Credit Unions Act 1982 that ended before the 1st day of July 1994 and, in relation to any such period, the Friendly Societies and Credit Unions Act 1982, as in force immediately before that date, shall continue to apply as if this Act had not been passed.

45. Repeals and revocations—(1) The Companies Amendment Act 1969 is hereby repealed.

(2) The following enactments are hereby consequentially repealed:

(a) Section 4 of the Companies Amendment Act 1971:

(b) Section 23 (2) of the Companies Amendment Act 1975:

(c) Section 19 (3) of the Companies Amendment Act 1982.

(3) The following orders are hereby revoked—

(a) The Companies Accounts (Non-Exempt Private Companies) Exemption Order 1971 (S.R. 1971/20):

(b) The Companies (Overseas Companies' Accounts) Order 1971 (S.R. 1971/21).

46. Amendment to Summary Proceedings Act 1957—Part II of the First Schedule to the Summary Proceedings Act 1957 is hereby amended by inserting, in its appropriate alphabetical order, the following item:

“The Financial Reporting Act
1993

41

False statements”

47. Amendment to Securities Act 1978—(1) The First Schedule to the Securities Act 1978 is hereby amended by inserting, in its appropriate alphabetical order, the following item:

“The Financial Reporting Act 1993.”

(2) Section 67 of the Securities Act 1978 (as applied in relation to this Act by subsection (1) of this section) shall so

apply as if for paragraphs (a) and (b) of subsection (1) of that section there were substituted the following paragraphs:

“(a) Require any issuer (within the meaning of section 4 of the Financial Reporting Act 1993) or any director, officer, employee, trustee, supervisor, or auditor of the issuer to produce for inspection any book or paper or document kept by the issuer or in the possession or under the control of any such person and relating to the issuer;

“(b) Require any person to produce for inspection any book or paper or other document that contains information relating to any money or other property that is managed, supervised, controlled, or held in trust by any such issuer;”.

48. Amendments to Public Finance Act 1989—

(1) Section 2 (1) of the Public Finance Act 1989 is hereby amended by repealing the definition of the term “generally accepted accounting practice”.

(2) The Public Finance Act 1989 is hereby amended by inserting, after section 3, the following section:

“**3AA. Meaning of ‘generally accepted accounting practice’**—For the purposes of this Act, in relation to the Crown, a department, an Office of Parliament, or a Crown entity, as the case may be, financial statements are prepared in accordance with generally accepted accounting practice only if the financial statements comply with—

“(a) Approved financial reporting standards (within the meaning of section 2 of the Financial Reporting Act 1993) so far as those standards apply to the Crown or the department or the Office of Parliament, or the Crown entity:

“(b) In relation to matters for which no provision is made in such approved financial reporting standards and that are not subject to any applicable rule of law, accounting policies that—

“(i) Are appropriate in relation to the Crown or the department or the Office of Parliament or the Crown entity, as the case may be; and

“(ii) Have authoritative support within the accounting profession in New Zealand.”

(3) The Fourth Schedule to the Public Finance Act 1989 is hereby amended by inserting, in its appropriate alphabetical order, the name “Accounting Standards Review Board.”

49. Amendments to other Acts—The enactments specified in the Second Schedule to this Act are hereby amended in the manner indicated in that Schedule.

SCHEDULES

FIRST SCHEDULE

Section 32

PROVISIONS APPLYING TO ACCOUNTING STANDARDS REVIEW BOARD

1. Term of office—(1) Every member of the Board shall be appointed for such term as the Governor-General shall specify in the instrument appointing the member, being a term not exceeding 5 years.

(2) A member of the Board may from time to time be reappointed.

2. Continuation in office after term expires—Notwithstanding clause 1 of this Schedule, every member of the Board whose term of office has expired shall, unless sooner vacating office under clause 3 of this Schedule, continue to hold office by virtue of the appointment for the term that has expired, until—

(a) That member is reappointed; or

(b) A successor to that member is appointed.

3. Extraordinary vacancies—(1) A member of the Board may at any time be removed from office by the Governor-General for disability affecting the performance of his or her duties as a member, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Governor-General.

(2) A member of the Board may at any time resign office by giving written notice to that effect to the Minister.

(3) If a member of the Board dies, or resigns, or is removed from office, the vacancy created shall be deemed to be an extraordinary vacancy.

(4) An extraordinary vacancy may be filled by the appointment of a person by the Governor-General in accordance with section 23 of this Act.

(5) A person appointed to fill an extraordinary vacancy shall be appointed for the residue of the term for which the vacating member was appointed.

(6) The powers of the Board are not affected by a vacancy in its membership.

4. Meetings of Board—(1) The Chairperson shall convene such meetings of the Board as he or she thinks necessary for the efficient performance of the functions of the Board.

(2) Meetings of the Board shall be held at such times and places as the Chairperson determines.

(3) The quorum at any meeting of the Board shall,—

(a) If the Board comprises 4 or 5 members, be 3 members:

(b) If the Board comprises 6 or 7 members, be 4 members.

5. Chairperson—(1) The Chairperson shall preside at every meeting of the Board at which he or she is present.

(2) Where the Chairperson becomes incapable of acting by reason of illness, absence, or other sufficient cause, or during any vacancy in the office of Chairperson, or if the Chairperson considers it not proper or desirable to participate personally in relation to a determination, the Deputy Chairperson shall have and may exercise all the powers, functions, and duties of the Chairperson.

(3) Where the Deputy Chairperson is incapable of acting by reason of illness, absence, or other sufficient cause, or there is a vacancy in the office of Deputy Chairperson, or if the Deputy Chairperson considers it not

FIRST SCHEDULE—*continued*PROVISIONS APPLYING TO ACCOUNTING STANDARDS REVIEW BOARD—
continued

proper or desirable to participate personally in relation to a determination, the members of the Board shall, by resolution, appoint 1 of their number to act as Chairperson for the period or purpose stated in the appointment.

(4) A member of the Board appointed to act for the Chairperson shall, while acting as such, be deemed to be the Chairperson, and shall have and may exercise all the powers, functions, and duties of that office for the period or for the purpose stated in the appointment.

(5) No appointment of a member of the Board to act as Chairperson and no act done by that member as such, and no act done by the Board while any member is acting as such, shall, in any proceedings, be questioned on the ground that the occasion for the appointment had not arisen or had ceased.

6. Voting at meetings—(1) All questions arising at a meeting of the Board as to—

(a) The approval of a financial reporting standard:

(b) The approval of an amendment to an approved financial reporting standard:

(c) The revocation of the approval of an approved financial reporting standard—

shall be decided by a majority of the votes cast by the members of the Board.

(2) All other questions arising at a meeting of the Board shall be decided by a majority of the votes cast by the members present.

(3) A resolution in writing signed, or assented to by letter or telegram or facsimile transmission or telex, by all members of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted.

7. Procedure—Subject to this Act, the Board may regulate its procedure in such manner as it thinks fit.

8. Members not personally liable—No member of the Board is personally liable for an act or default done or made by the Board or by any member of the Board in good faith in the course of the operations of the Board.

9. Remuneration and travelling allowances—The members of the Board shall be paid such fees, salaries, and allowances, and such travelling allowances and expenses, as the Board may from time to time determine with the approval of the Minister.

SECOND SCHEDULE
ENACTMENTS AMENDED

Section 49

Title of Act	Amendment
<p>1908, No. 81—The Industrial and Provident Societies Act 1908 (R.S. Vol. 7, p. 407)</p>	<p>By omitting from section 8 (a) (iii) the word “Once”, and substituting the words “If the society is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, once”.</p> <p>By omitting from section 8 (a) (iv) the word “Within”, and substituting the words “If the society is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, within”.</p> <p>By omitting subparagraphs (vi) and (vii) of section 8 (a), and substituting the following subparagraphs:</p> <p>“(vi) Supply gratuitously to every member or person interested in the funds of the society, on application, a copy of the last annual return of the society for the time being or, in the case of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the last financial statements of the society prepared under that Act and a copy of the auditor’s report on those statements:</p> <p>“(vii) Keep a copy of the last balance sheet for the time being, together with the report of the auditors or, in the case of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the last financial statements of the society prepared under that Act and a copy of the auditor’s report on those statements, always hung up in a conspicuous place at the registered office of the society:”.</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1908, No. 212—The Incorporated Societies Act 1908 (R.S. Vol. 7, p. 383)	<p>By adding to section 23 the following subsection:</p> <p>“(4) Nothing in this section applies to a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993.”</p>
1955, No. 63—The Companies Act 1955 (R.S. Vol. 15, p. 89)	<p>By adding to section 133, the following subsection:</p> <p>“(5) Nothing in this section applies to a company that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993.”</p> <p>By repealing section 151 (1) (c), and substituting the following paragraph:</p> <p>“(c) Will enable the directors to ensure that financial statements and any group financial statements (within the meaning of the Financial Reporting Act 1993) comply with that Act; and”</p> <p>By repealing the proviso to section 151 (3), and substituting the following proviso:</p> <p>“Provided that if accounting records are kept at a place outside New Zealand there shall be sent to, and kept at a place in, New Zealand such accounts and returns with respect to the business dealt with in the accounting records so kept as will disclose with reasonable accuracy the financial position of that business at intervals not exceeding 6 months and will enable financial statements (within the meaning of the Financial Reporting Act 1993) to be prepared in accordance with that Act.”</p> <p>By repealing subsections (1) and (2) of section 152, and substituting the following subsections:</p> <p>“(1) Subject to subsection (2) of this section, the directors of every company shall once at least in every calendar year lay before the company in general meeting the company’s financial statements and any group financial statements (within the meaning of the Financial Reporting Act 1993) in relation to an accounting period ending not</p>

SECOND SCHEDULE—*continued*
ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1955, No. 63—The Companies Act 1955 (R.S. Vol. 15, p. 89)— <i>continued</i>	<p>earlier than the date of the meeting by more than 9 months.</p> <p>“(2) If the directors lay the first such financial statements and any group financial statements before the company in general meeting within 18 months of the incorporation of the company, they need not lay such financial statements and any group financial statements before the company in general meeting in the calendar year of the incorporation of the company.</p> <p>“(2A) The Court may, if it thinks fit, extend the period of 9 months referred to in subsection (1) of this section, and extend the period of 18 months referred to in subsection (2) of this section.”</p> <p>By repealing sections 153 to 157 and sections 159 and 160.</p> <p>By repealing section 161 (1), and substituting the following subsection:</p> <p>“(1) There shall be attached to the financial statements or group financial statements laid before a company in general meeting a report by the directors with respect to the state of the company’s affairs, the amount, if any, which they recommend should be paid by way of dividend, and the amount, if any, which they propose to carry to reserves.”</p> <p>By repealing subsections (1) and (2) of section 162, and substituting the following subsections:</p> <p>“(1) A copy of the financial statements and any group financial statements, including every document required by law to be annexed thereto which are to be laid before a company in general meeting, together with a copy of the auditors’ report, shall, not less than 14 days before the date of the meeting, be sent to all persons entitled to receive notices of general meetings of the company.</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1955, No. 63—The Companies Act 1955 (R.S. Vol. 15, p. 89)— <i>continued</i>	<p>“(2) Any member of the company, whether or not he or she is entitled to have sent to him or her copies of the financial statements and any group financial statements, and any holder of debentures of the company, shall be entitled to be furnished on demand, without charge, with a copy of the last financial statements, including every document required by law to be annexed thereto, together with a copy of the auditors’ report on those financial statements.”</p> <p>By repealing section 166 (1), and substituting the following subsection:</p> <p>“(1) The auditors shall make a report to the members on the accounting records examined by them, and on the financial statements and any group financial statements laid before the company in general meeting during their tenure of office, and the report shall state the matters required to be stated in an auditor’s report by the Financial Reporting Act 1993.”</p> <p>By repealing section 167.</p> <p>By omitting from subsections (1), (2), and (3) of section 197 the word “accounts”, and substituting the words “financial statements”.</p> <p>By repealing section 354, and substituting the following section:</p> <p>“354. Application of Act to private companies—(1) Subject to this Part of this Act, all the provisions of this Act shall, so far as applicable, apply to private companies.</p> <p>“(2) In the application thereof to private companies,—</p> <p>“(a) Section 41 (as to carrying on business when the number of members is reduced below the legal minimum) shall be construed as if the reference</p>

SECOND SCHEDULE—*continued*
ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
<p>1955, No. 63—The Companies Act 1955 (R.S. Vol. 15, p. 89)—<i>continued</i></p>	<p>therein to 7 members were a reference to 2 members:</p> <p>“(b) Paragraph (c) of section 138 of this Act (as to the quorum for meetings) shall be construed as if the reference therein to 3 members were a reference to 2 members:</p> <p>“(c) Section 182 of this Act shall be construed as if the reference therein to 2 directors were a reference to 1 director.</p> <p>“(3) Section 133 of this Act (as to the filing of financial statements and other documents) shall not apply to a private company.</p> <p>“(4) Section 163 of this Act shall not apply to a private company in respect of any annual general meeting if at or before the meeting all the members of the company having the right to vote on that resolution pass a unanimous resolution that no auditor be appointed at that meeting. Subject to any special provisions in that behalf in the articles of the company, a resolution under this subsection may be passed, at any time within the time prescribed for the holding of the annual general meeting and without a meeting or any previous notice being required, by means of an entry in the minute book of the company signed by all the members having the right to vote on that resolution; and subsections (3) and (4) of section 362 of this Act, with the necessary modifications, shall apply in respect of any such entry. Where a resolution under this subsection is passed—</p> <p>“(a) The resolution shall expire—</p> <p style="padding-left: 2em;">“(i) At the commencement of the next annual general meeting after the meeting to which it relates; or</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1955, No. 63—The Companies Act 1955 (R.S. Vol. 15, p. 89)— <i>continued</i>	<p>“(ii) Where the company avoids the need for that next annual general meeting by doing everything required to be done at that meeting by entry in its minute book in accordance with section 362 (2) of this Act, on the day on which the last thing required to be done at that meeting is done in accordance with the said section 362 (2):</p> <p>“(b) The Registrar may at any time before the next annual general meeting, if he or she thinks fit, on the application or with the consent of any member or creditor of the company, or of his or her own motion, appoint an auditor or auditors to hold office until the conclusion of the next annual general meeting:</p> <p>“(c) The financial statements of the company prepared while the company has no auditor shall include a statement that the financial statements have not been audited.</p> <p>“(5) Nothing in subsection (4) of this section shall apply to—</p> <p>“(a) A private company that is a subsidiary of a company that is not a private company:</p> <p>“(b) A company that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993:</p> <p>“(c) A company to which section 19 of the Financial Reporting Act 1993 applies:</p> <p>“(6) The provisions of this Act which are specified in the Ninth Schedule to this Act do not apply to private companies.”</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1955, No. 63—The Companies Act 1955 (R.S. Vol. 15, p. 89)— <i>continued</i>	<p>By repealing section 447 (as substituted by section 22 of the Companies Amendment Act 1975), and substituting the following section:</p> <p>“447. Annual return fee—(1) Every company shall pay to the Registrar an annual return fee of the prescribed amount each time it delivers to the Registrar an annual return in accordance with section 132 (1) of this Act.</p> <p>“(2) Each time a company fails to deliver to the Registrar an annual return in accordance with section 132 (1) of this Act it shall pay to the Registrar an annual return fee of the prescribed amount on the day following the last day on which the company could have delivered to the Registrar such annual return without being in default under section 132 (1) of this Act.</p> <p>“(3) Every company that, pursuant to any enactment, is exempted from delivering to the Registrar annual returns in accordance with section 132 (1) of this Act, shall pay to the Registrar an annual return fee of the prescribed amount not later than the 31st day of March in each calendar year.</p> <p>“(4) Notwithstanding subsections (1) to (3) of this section, a company shall not be required to pay an annual return fee in the calendar year in which it is incorporated.”</p>
1960, No. 49—The Companies Amendment Act 1960	<p>By repealing the Eighth Schedule.</p> <p>By repealing section 6.</p>
1960, No. 99—The Unit Trusts Act 1960 (R.S. Vol. 10, p. 953)	<p>By repealing section 11, and substituting the following section:</p> <p>“11. Trustee to keep accounts—</p> <p>(1) Every trustee of a unit trust shall cause proper books of account to be kept, either by the trustee or the manager, in respect of the unit trust.</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1960, No. 99—The Unit Trusts Act 1960 (R.S. Vol. 10, p. 953)— <i>continued</i>	<p>“(2) Every trustee of a unit trust, not being an issuer within the meaning of section 4 of the Financial Reporting Act 1993, shall cause to be sent annually, to every person who is a unit holder at the date of the statement, an audited statement of accounts in respect of the unit trust, together with a summary of any amendments of the trust deed that have been made since the date of the last statement.</p> <p>“(3) Every trustee of a unit trust that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993 shall cause to be sent annually, to every person who is a unit holder at the balance date of the unit trust,—</p> <p>“(a) A copy of the financial statements registered under that Act; and</p> <p>“(b) A copy of the auditor’s report on those statements registered under that Act—</p> <p>in respect of the trust, together with a summary of any amendments of the trust deed that have been made since the last balance date of the unit trust.”</p> <p>By inserting in section 20 (2), after the words “The manager of each unit trust”, the words “, not being an issuer within the meaning of section 4 of the Financial Reporting Act 1993,”.</p> <p>By inserting, after section 20 (2), the following subsection:</p> <p>“(2A) The manager of each unit trust that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, shall attach to the financial statements to be delivered to the Registrar of Companies under that Act a summary of purchases and sales of property under the unit trust, and a list of all the investments of the unit trust as at the end of the period to which the financial statements relate, together with particulars of the cost and the estimated market value as at that date of the investments and other property.”</p>

SECOND SCHEDULE—*continued*
ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
<p>1965, No. 22—The Building Societies Act 1965 (R.S. Vol. 17, p. 41)</p>	<p>By repealing section 90 (2), and substituting the following subsection:</p> <p>“(2) For the purposes of paragraph (a) of subsection (1) of this section, the books of account must—</p> <p>“(a) Correctly record and explain the transactions of the society; and</p> <p>“(b) In the case of a society that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, be such as are necessary to give a true and fair view of the affairs of the society; and</p> <p>“(c) In the case of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, be such as are necessary to ensure that the financial statements of the society within the meaning of that Act comply with that Act.”</p> <p>By repealing section 91 (1) (as substituted by section 20 of the Building Societies Amendment Act 1987), and substituting the following subsection:</p> <p>“(1) Every society shall, not later than 4 months after the end of each financial year, prepare the following financial statements:</p> <p>“(a) A revenue and appropriation account for that financial year; and</p> <p>“(b) A balance sheet as at the end of that financial year; and</p> <p>“(c) A statement of cash flows for that financial year; and</p> <p>“(d) Such other financial statements in respect of the financial year as may be prescribed by</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1965, No. 22—The Building Societies Act 1965 (R.S. Vol. 17, p. 41)— <i>continued</i>	<p>regulations made under this Act—</p> <p>including any notes or documents giving information relating to the statements.”</p> <p>By repealing section 93 (as so substituted), and substituting the following section:</p> <p>“93. Form and content of financial statements—(1) The financial statements required by section 91 of this Act must—</p> <p>“(a) Give a true and fair view of—</p> <p> “(i) The society’s income and expenditure for; and</p> <p> “(ii) The state of the society’s affairs as at the end of; and</p> <p> “(iii) The cash flows of the society for—</p> <p>the financial year to which they relate; and</p> <p>“(b) Be in such form and contain such information as may be prescribed; and</p> <p>“(c) In the case of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, comply with the requirements of that Act.</p> <p>“(2) Any financial statements required under section 92 of this Act shall—</p> <p>“(a) Give a true and fair view,—</p> <p> “(i) In the case of any revenue and appropriation account, of the society’s income and expenditure for; and</p> <p> “(ii) In the case of any balance sheet, of the state of the society’s affairs as at the end of—</p> <p>the half-year to which they relate; and</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1965, No. 22—The Building Societies Act 1965 (R.S. Vol. 17, p. 41)— <i>continued</i>	<p>“(b) Be in such form and contain such information as may be prescribed.”</p> <p>By repealing section 95 (as so substituted), and substituting the following section:</p> <p>“95. Signing of financial statements—(1) The financial statements required by section 91 and section 92 of this Act shall be signed on behalf of the directors by 2 directors of the society.</p> <p>“(2) The financial statements must be approved by the board of directors before they are signed on their behalf.</p> <p>“(3) If financial statements have not been so signed and a copy of them is issued, circulated, or published, the society and every officer of the society who is in default shall be guilty of an offence against this Act.”</p> <p>By repealing section 96 (as so substituted), and substituting the following section:</p> <p>“96. Documents required to be annexed to balance sheets—(1) The revenue and appropriation account, statement of cash flows, and such other financial statements as are required under section 91 of this Act, and the auditor’s report shall be annexed to the balance sheet required by that section.</p> <p>“(2) Any revenue and appropriation account required pursuant to regulations made under section 92 of this Act and such other financial statements as are required pursuant to those regulations shall be annexed to any balance sheet required pursuant to those regulations.</p> <p>“(3) If any copy of a balance sheet is issued, circulated, or published without having annexed to it a copy of the financial statements required to be annexed to it, and, in the case of a balance sheet required by section 91 (1) (b) of this Act, a copy of the auditor’s report, the society, and every officer of the society who is in default, shall be guilty of an offence against this Act.”</p>

SECOND SCHEDULE—*continued*
ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
<p>1965, No. 22—The Building Societies Act 1965 (R.S. Vol. 17, p. 41)—<i>continued</i></p>	<p>By omitting from section 97A (2) (as so substituted) the word “Two”, and substituting the words “Except in the case of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, 2”.</p> <p>By inserting, after subsection 97A (2) (as so substituted), the following subsection:</p> <p>“(2A) The directors of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993 shall attach to the financial statements to be delivered to the Registrar of Companies under that Act any financial statements required by section 91 (1) (d) of this Act.”</p> <p>By repealing subsections (3) and (4) of section 101 (as substituted by section 21 of the Building Societies Amendment Act 1987), and substituting the following subsections:</p> <p>“(3) In the case of a society that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, the report shall state whether the financial statements are properly prepared in accordance with the requirements of this Act and any regulations made thereunder, and whether, in the opinion of the auditors, they give a true and fair view,—</p> <p>“(a) In the case of the revenue and appropriation account of the society’s income and expenditure for the financial year; and</p> <p>“(b) In the case of the balance sheet, of the state of the society’s affairs as at the end of the financial year; and</p> <p>“(c) In the case of the statement of cash flows, of the society’s cash flows for the financial year.</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1965, No. 22—The Building Societies Act 1965 (R.S. Vol. 17, p. 41)— <i>continued</i>	<p>“(4) In the case of a society that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, the auditor’s report shall state whether the financial statements are properly prepared in accordance with the requirements of this Act and any regulations made thereunder and shall also state the matters required to be stated in an auditors’ report under the Financial Reporting Act 1993.</p> <p>“(4A) It shall be the duty of the auditors in preparing the report referred to in subsection (3) or subsection (4) of this section, as the case may be, to carry out such investigations as will enable them to complete those reports.”</p> <p>By omitting from section 102 (4) (b) (as substituted by section 22 of the Building Societies Amendment Act 1987) the words “income, and expenditure”, and substituting the words “income and expenditure, and cash flows”.</p>
1966, No. 105—The Companies Amendment Act 1966 (R.S. Vol. 15, p. 507)	By repealing section 10.
1975, No. 137—The Companies Amendment Act 1975 (R.S. Vol. 15, p. 512)	By repealing section 17 and section 23 (2).
1976, No. 80—The Companies Amendment Act 1976 (R.S. Vol. 15, p. 515)	By repealing section 2.
1978, No. 103—The Securities Act 1978 (R.S. Vol. 15, p. 533)	By repealing section 71 (6).
1980, No. 43—The Companies Amendment Act 1980 (R.S. Vol. 15, p. 519)	By repealing subsections (2) and (3) of section 7.

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982	<p>By adding to section 59 the following subsection:</p> <p>“(3) Nothing in this section limits or affects the requirements imposed by the Financial Reporting Act 1993 on a registered society or branch which is an issuer within the meaning of section 4 of that Act.”</p> <p>By repealing section 60 (2), and substituting the following subsection:</p> <p>“(2) For the purposes of subsection (1) (a) of this section, the accounting records must—</p> <p>“(a) Correctly record and explain the transactions of the society or branch; and</p> <p>“(b) Enable the financial position of the society or branch to be determined with reasonable accuracy at any time; and</p> <p>“(c) In the case of a society or branch that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, be such as are necessary to give a true and fair view of the state of affairs of the society or branch; and</p> <p>“(d) In the case of a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, be such as are necessary to ensure that the financial statements of the society or branch within the meaning of that Act comply with that Act; and</p> <p>“(e) Enable the accounts of the society or branch to be readily and properly audited.”</p> <p>By adding to section 61 the following subsection:</p> <p>“(6) Nothing in this section applies to a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993.”</p>

SECOND SCHEDULE—*continued*
ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982— <i>continued</i>	<p>By adding to section 68 the following subsection: “(6) Nothing in this section applies to a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993.”</p> <p>By repealing paragraphs (b) and (c) of section 70 (3), and substituting the following paragraphs: “(b) Shall contain— “(i) In the case of a society or branch that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, the income and expenditure account or accounts of the society or branch prepared in accordance with section 61 (1) of this Act for the financial year to which the return relates and a balance sheet as at the end of that year; or “(ii) In the case of a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, the financial statements required to be completed in respect of the issuer and the financial year to which the return relates; and “(c) Shall not contain any other accounts unless they have been audited by the auditors for the society or branch.”</p> <p>By repealing subsection (5) of section 70, and substituting the following subsection: “(5) The annual return to the Registrar shall be accompanied,— “(a) In the case of a society or branch that is not an issuer within the meaning of section 4 of the</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
<p>1982, No. 118—The Friendly Societies and Credit Unions Act 1982—<i>continued</i></p>	<p>Financial Reporting Act 1993, by the report of the auditors on the income and expenditure account or accounts and balance sheet contained in the annual return; or</p> <p>“(b) In the case of a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, by the report of the auditors on the financial statements contained in the annual return.”</p> <p>By repealing section 72 (2), and substituting the following subsections:</p> <p>“(2) Together with every copy of an annual return supplied in accordance with paragraph (a) of subsection (1) of this section, a registered society or branch shall provide—</p> <p>“(a) In the case of a society or branch that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the report of the auditors on the accounts and balance sheet contained in the return; or</p> <p>“(b) In the case of a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the report of the auditors on the financial statements contained in the return.</p> <p>“(3) Together with every balance sheet or other document supplied in accordance with paragraph (b) of subsection (1) of this section, a registered society or branch shall provide a copy of</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982— <i>continued</i>	<p>the report of the auditors on the balance sheet or document.”</p> <p>By repealing section 73, and substituting the following section:</p> <p>“73. Accounts and balance sheet to be available—Every registered society or branch shall keep available for inspection (without charge) by a member or person interested in its funds at its office during ordinary office hours,—</p> <p>“(a) In the case of a society or branch that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the last balance sheet for the time being including the income and expenditure account or accounts for the year to which the balance sheet relates, together with the auditor’s report and a copy of the last actuarial report; or</p> <p>“(b) In the case of a society or branch that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the last financial statements completed and signed in accordance with that Act, together with the auditor’s report and a copy of the last actuarial report.”</p> <p>By adding to section 120 the following subsection:</p> <p>“(3) Nothing in this section limits or affects the requirements imposed by the Financial Reporting Act 1993 on a credit union that is an issuer within the meaning of section 4 of that Act.”</p> <p>By repealing section 121, and substituting the following section:</p> <p>“121. Accounting records and balance sheet—(1) Every credit union</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982— <i>continued</i>	<p>that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993 shall—</p> <p>“(a) Cause proper accounting records to be kept relating to its transactions and its assets and liabilities; and</p> <p>“(b) Establish and maintain a satisfactory system of control of its accounting records, its cash holdings, and all its receipts and payments; and</p> <p>“(c) In respect of each financial year, cause to be prepared an income and expenditure account which deals with the affairs of the credit union for that year, and a balance sheet—</p> <p>and, for these purposes the provisions of sections 60 and 61 of this Act shall, as far as they are applicable and with any necessary modification, apply in respect of such credit unions as if they were societies registered under Part II of this Act.</p> <p>“(2) Every credit union that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993 shall—</p> <p>“(a) Cause proper accounting records to be kept relating to its transactions and its assets and liabilities; and</p> <p>“(b) Establish and maintain a satisfactory system of control of its accounting records, its cash holdings, and all its receipts and payments; and</p> <p>“(c) Cause financial statements to be completed in accordance with that Act—</p> <p>and, for these purposes the provisions of section 60 of this Act shall, as far as they are applicable and with any necessary</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982— <i>continued</i>	<p>modification, apply in respect of such credit unions as if they were societies registered under Part II of this Act.”</p> <p>By adding to section 125 the following subsection:</p> <p>“(2) Notwithstanding subsection (1) of this section, nothing in section 68 of this Act shall apply to a credit union which is an issuer within the meaning of section 4 of the Financial Reporting Act 1993.”</p> <p>By repealing paragraphs (b) and (c) of section 127 (3) and substituting the following paragraphs:</p> <p>“(b) Shall contain,—</p> <p> “(i) In the case of a credit union that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, the income and expenditure account or accounts of the credit union prepared in accordance with section 61 (1) (as applied by section 121) of this Act for the financial year to which the return relates and a balance sheet as at the end of that year; or</p> <p> “(ii) In the case of a credit union which is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, the financial statements required to be completed in respect of the issuer under that Act for the financial year to which the return relates; and</p> <p>“(c) Shall not contain any other accounts unless they have been audited by the auditors for the credit union.”</p> <p>By repealing section 127 (4), and substituting the following subsection:</p>

SECOND SCHEDULE—*continued*
ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982— <i>continued</i>	<p>“(4) The annual return to the Registrar shall be accompanied,—</p> <p>“(a) In the case of a credit union that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, by the report of the auditors on the income and expenditure account or accounts and balance sheet contained in the annual return; or</p> <p>“(b) In the case of a credit union that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, by the report of the auditors on the financial statements contained in the annual return.”</p> <p>By repealing section 129 (2), and substituting the following subsections:</p> <p>“(2) Together with every copy of an annual return supplied in accordance with paragraph (a) of subsection (1) of this section, a credit union shall provide,—</p> <p>“(a) In the case of a credit union that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the report of the auditors on the accounts and balance sheet contained in the return; or</p> <p>“(b) In the case of a credit union that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the report of the auditors on the financial statements contained in the return.</p> <p>“(3) Together with every balance sheet or other document supplied in accordance with paragraph (b) of</p>

SECOND SCHEDULE—*continued*ENACTMENTS AMENDED—*continued*

Title of Act	Amendment
1982, No. 118—The Friendly Societies and Credit Unions Act 1982— <i>continued</i>	<p>subsection (1) of this section, a credit union shall provide a copy of the report of the auditors on the balance sheet or document.”</p> <p>By repealing section 132, and substituting the following section:</p> <p>“132. Accounts and balance sheet to be available—Every credit union shall keep available for inspection (without charge) by a member or person interested in its funds at its office during ordinary office hours,—</p> <p>“(a) In the case of a credit union that is not an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the last balance sheet for the time being, including the income and expenditure account for the year to which the balance sheet relates, together with the report of the auditor or auditors; or</p> <p>“(b) In the case of a credit union that is an issuer within the meaning of section 4 of the Financial Reporting Act 1993, a copy of the last financial statements completed and signed in accordance with that Act, together with the auditor’s report.”</p>
1982, No. 152—The Companies Amendment Act 1982 (R.S. Vol. 15, p. 525)	By repealing section 19 and section 22.
1989, No. 101—The Companies Amendment Act 1989	By repealing section 14.

This Act is administered in the Department of Justice.